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Zhivkov Greetings to Meeting on Saving Jews

AU1811135088 Sofia OTECHESTVEN FRONT in Bulgarian 17 Nov 88 p 1

[Greetings message from State Council Chairman Todor Zhivkov to the Sofia international roundtable meeting "The Saving of the Bulgarian Jews in the 1941-44 Period," read to the meeting on its first day, 16 November, by Angel Balevski, member of the State Council of Bulgaria]

[Text] Ladies and gentlemen, comrades, I use this opportunity to welcome you, the participants in the roundtable devoted to the saving of the Bulgarian Jews during World War II, and to wish you success in your work, in the name of the State Council of the People's Republic of Bulgaria and on my own behalf.

Your meeting reminds us of a tragic episode in mankind's recent history, namely the systematic and merciless annihilation of the Jewish population by German fascism and its satellites.

As is well-known, in Bulgaria the trains did not leave for the gas chambers, despite the decisions of the monarchist-fascist government and the pressure from Hitler's staffs responsible for Jewish genocide. The progressive forces in our country, the most outstanding representatives of our intelligentsia, political figures of different views, believers and atheists, and the Bulgarian people frustrated the plans for the deportation of our fellow citizens.

As a representative of the BCP, I was able to participate in this remarkable philanthropic act. I am filled with pride by the achievements of the participants in this action. Hundreds of Jews took part in the antifascist struggle in Bulgaria, and many of them perished in this struggle, but none of them died simply because of the fact that he was a Jew.

We return to these events because the meaning of history lies in the lessons that succeeding generations draw from it. The 20th century, which witnessed these events, has the chance to be remembered as a century of reason, a century in which the awareness of the need to preserve humanity was established in the consciousness of all peoples. We are witnessing the birth and consolidation of a new historical content in the life of the earth, our common home, one that elevates man, makes him more free than ever before, and able to do battle with the forces that threaten him physically and intellectually.

It is our duty to make these common human values, and peaceful economic. social, and cultural competition between peoples, the main feature of the contemporary world.

I am convinced that your meeting will make a modest contribution to this process.

I wish you pleasant and fruitful work.

Navy Chief Interviewed on Changes, Improvements

AU2911131788 Sofia NARODNA ARMIYA in Bulgarian 28 Nov 88 pp 1, 2

[Interview with Admiral Vasil Yanakiev, commander of the Navy, by Rangel Zlatkov: "A Responsible, Competent Approach to Topical Tasks"—date and place not given]

[Excerpts] [Zlatkov] Last year, in fulfillment of the decisions of the 13th BCP Congress, the BCP National Conference, and the 16th All-Army Party Conference, the commanders, political organs, and party and komsomol organizations achieved substantial successes in mastering naval science. Could you briefly outline the nature of these achievements?

[Yanakiev] [Passage omitted] Our attention was mainly directed at sharply increasing the creative activity of the entire officer corps and all other ranks, in order to raise to a new level the naval forces' battle readiness, combat and political training, observance of the naval statute, and discipline.

With the participation of the Navy Command, we elucidated the basic problems, ways, and concepts for implementing restructuring in the Navy. A number of practical measures were also adopted to overcome certain weaknesses and achieve better results in resolving training and combat tasks and in political education work. The Navy drew up a program-plan with specific measures and ways to implement restructuring in the units. Measures were taken to overcome conservatism, the administrative approach, and bureaucratic methods, so as to create favorable conditions for the commanders to exercise greater freedom and creativity in independently solving the tasks set and achieving the goals mapped out. At the same time, the commanders, chiefs, staff specialists, and political officers were subjected to increased strictness, in the sense of increasing their personal responsibility for the levels of fighting readiness and combat and political training. [passage omitted]

A new approach was introduced in exercising control and providing assistance. The quality of control in the system of planned inspections was improved, while assistance was mainly provided on the spot, and in a more up-to-date and specific manner. Small groups of officers were sent to the units and ships for 5- to 6-day periods to carry out purpose-oriented work on the spot. [passage omitted]

Computer and microcomputer equipment is being more widely applied in combat and political training, in planning naval combat activities, and in controlling naval forces in combat actions. There was an increase in the number of units in which no distortions or gross

breaches of discipline are permitted. At the last meeting of the Navy Command with the commands of the units and all divisional ship and shore sections, the view was unanimously expressed that the Navy will not tolerate distortions in disciplinary practice. [passage omitted]

Alongside the positive results, we consider that we are still at the beginning of restructuring, and that what has been achieved falls far short of the party's demands and of what is desirable. Some of the leading personnel are still finding it difficult to overcome the old style and methods of work are not fully employing the greater rights and independence they have been given, and they are afraid of taking a considered risk.

[Zlatkov] Among the many things for which the Bulgarian Navy is renowned, it is known to be an armed service in which new forms and methods are experimented on and applied. Could you mention some of these, which have come into being in recent years and which have been incorporated in the new training year?

[Yanakiev] [Passage omitted] First, the question of planning combat training was posed in a new way. On the basis of the training for the crews, platoons, companies, and units, commanders at all levels were given the right to plan their training independently, while the superior staff determines the principal measures, directions, and tasks. The advantages of this kind of planning were confirmed by our experience from past years and by the inspections we made at the beginning of the current training year. The commanders have begun to think in a new way and to involve themselves deeply in the problems, and I think that this year will bring much more fruitful results.

Second, following basic training, the young sailors who enter naval service are being trained in special skills in independent groups, to ensure that at the start of the new training year their level of training will be equivalent to that of second-year ratings. [passage omitted]

Third, we have introduced and are continuing to improve the training of ship and unit commanders in special simulator training rooms equipped with computer equipment and microcomputers. [passage omitted]

Fourth, during the last 2-3 years we have successfully experimented with the integrated combat training of naval forces at sea. This year we aim to further improve this training. This provides us with an opportunity for the ships to simultaneously carry out both individual and joint assignments, thus considerably raising the combat readiness of the naval forces. Throughout the entire year the level of training of the commanders in navigation in complex conditions was maintained, and considerable savings were achieved in the consumption of the fuel and lubricants required for completion of the assigned tasks. [passage omitted]

Optical Telephone Cable Installed in Sofia

AU1811135788 Sofia OTECHESTVEN FRONT in Bulgarian 17 Nov 88 p 1

[Text] Burgas, 16 November (OTECHESTVEN FRONT oblast correspondent)—We received news from the Cable and Conductor Institute in Burgas that the first optical communications line has been installed between the "G. Milev" ATV-7 and the "Druzhba" RATTs-79 [expansions unknown] district automatic telephone exchange in Sofia. The line is intended to carry telephone conversations at the rate of 8 megabits per second. The laying, installation, and commissioning of the line were jointly carried out by GDR specialists and a collective from the Communications Scientific Research Institute, with the participation of representatives of other organizations, including the above-mentioned Burgas institute.

The optical cable, cable fittings, optical terminals, control and measuring equipment, and other apparatus were delivered from the GDR.

The installed optical cable contains four fibers with an optical attenuation factor of less than three decibels per kilometer and a frequency band of over 400 megaherz per kilometer, which allows a single optical fiber to carry many telephone calls. Two lengths of optical cable are used of 1,700 and 1,900 meters. The optical transmission and receiving equipment installed in the respective telephone exchange buildings ensure the simultaneous transmission of 120 telephone calls. One should remember that when copper-cored cables are used in city conditions, each 3-core cable can only carry one conversation. Thanks to the excellent coordination and cooperation, the construction of this complex installation, the first of its kind in Bulgaria, was completed in 4 weeks instead of the expected 45 days.

An interesting fact that is worthy of attention is that the Cable and Conductors Institute and its branches in Sevlievo and Burgas have developed an optical cable for a second optical line in the same section in Sofia, for which the communications equipment and instructions for connection have already been delivered. The Bulgarian cable contains 10 fibers, which means that it is likely to have a higher capacity.

U.S. Decision on 'Arafat Visa Condemned

LD2911213388 Prague Domestic Service in Czech 1730 GMT 29 Nov 88

[Text] Criticism of Secretary of State George Shultz is under way because he prevented Yasir 'Arafat from addressing the United Nations. Our New York correspondent Vladimir Solecky has phoned in the details.

[Solecky] The U.S. Government decision to refuse Yasir 'Arafat an entry visa, Secretary of State Shultz' last hurrah—as it was called by Arab League representative Dr Maksoud—returned like a boomerang to the heads of its authors. According to the debate at the UN Committee for Relations With the Host Country, and according to the response to this decision all over the world, it is obvious that the evident violation of the 1947 agreement on the main seat of the United Nations in New York is meeting with disagreement everywhere with the sole exception of Israel.

Even in the United States, voices are being heard saying that the decision was not wise. The Committee for Peace in the Near East, the members of which are 1,000 religious representatives of the Jewish, Christian, and Muslim churches in the United States, appealed to Secretary Shultz to change his decision, inasmuch as refusing a visa to the Palestinian representative only lowers the probability of talks on a peaceful settlement of the Palestinian conflict. Also appealing to the U.S. Government in the same manner was New York's Cardinal O'Connor.

A number of today's commentaries also contain questions as to why the United States, which always vehemently defends freedom of speech, should be afraid to hear the Palestinian viewpoints, and at the same time, should offend the United Nations. It is obvious even now that on the contrary, the U.S. attempt to prevent 'Arafat speaking at the United Nations will result in his address attracting exceptional attention.

Dispute With Poland on Customs Rules Continues

Effects on Both Sides Viewed

AU2311161588 Prague RUDE PRAVO in Czech 19 Nov 88 p 7

["pm"-signed Warsaw dispatch, followed by an "mi"-signed Karvina dispatch: "After the Tightened Customs Provisions in the CSSR; A View From Two Sides"]

[Text] Warsaw (from our correspondent)— In the Friday [18 November] issue of ZYCIE WARSZAWY and other Polish dailies, the correspondent of the Polish PAP agency reports that signs notifying [travellers] of the ban imposed on the export of a number of goods from the CSSR have been posted at the checkpoints of Prague and Bratislava airports. Furthermore, he mentions that trains coming from the CSSR and heading for the Polish People's Republic have been delayed by several hours, and reports on the difficulties encountered by Polish tourists at all Czechoslovak-Polish border crossing points in connection with the tightened customs provisions.

Referring to Czechoslovak press reports, he writes that the new customs provisions are to prevent the export of goods that are in short supply. He also stresses that the export restrictions are temporary, until supplies to the market improve. Thursday night [17 November], however, a Polish Television commentator spoke rather dramatically about the situation at border crossing points. He said that even women and children coming from the CSSR are being frisked at border crossing points, which, in his opinion, is a "fact which the Czechoslovak side should ponder."

The newspapers here stress that the aim is to "protect the poorly supplied market" in the CSSR.

On Friday night, Polish Television reported that some trains coming to the Polish People's Republic from the CSSR were subject to delays of 5 hours or even more. Commenting on this matter, it said that this is something unprecedented and that the Ministry of Foreign Affairs of the PPR is striving to solve this problem through diplomatic channels. The television reporter went on to say that trade is not a one-way street. Not only do Poles shop in the CSSR, Polish territory, especially its southern regions, is also subject to the "acute expansiveness [expanze] of Czechs and Slovaks, who stock up on some types of goods there."

Karvina (from our correspondent) — The premises of the customs house in Petrovice near Karvina, the transit railroad station at the Polish border, looked like a department store Friday night. Bags and boxes full of oranges, sweets, grated coconut, cocoa, coffee, peanuts, tooth paste, shampoo, bananas, assortments of Christmas-tree sweets, canned meat, and semolina were standing about, all of which had piled up there in the course of a single day.

"Many passengers were even taking goods across the border in wholesale packaging," Manfred Seifert, deputy head of the customs house in Petrovice near Karvina, told us.

In the records on customs inspections we come across almost unbelievable facts. One female passenger was taking 50 packets of cocoa out of our country. Another citizen had 145 bags of sweets and 45 bags of peanuts, while his fellow traveller carried 17 chocolate bars and 30 bags of sweets. Another Polish citizen had 100 packets of bay leaf on him. In contrast to the passengers mentioned above, this citizen works in Czechoslovakia, and therefore has the chance to take home a reasonable amount of goods for the money he earns here. However, this amount of the spice would be enough to supply a

whole village. The results of a customs inspection that brought to light hundreds of toothpaste tubes, hundreds of kilograms of tropical fruit, and so forth show that this was not an isolated case.

"Our work is greatly complicated by noncompliance with the rule that everyone must have a reserved seat. The last 'Silesia' international express trains had 2,237 instead of 1,050 passengers. Given this fact, it is not surprising that inspections cause delays," M. Seifert added, while filling one of the bags with additional packets of coffee. "We are trying to return the intercepted goods to the retailing network immediately," the deputy head of the customs house remarked.

Statistician on PAP Comment

AU2311100488 Prague RUDE PRAVO in Czech 19 Nov 88 p 3

[Statement by Eng Helena Haskovcova from the Federal Bureau of Statistics, in Prague, in the "From Letters to the Editor" column: "Is the CSSR Just a Tourist Destination?"]

[Text] On 10 November, in its foreign press review, RUDE PRAVO quoted from an article by a correspondent of the PAP agency published in the central Polish dailies about Czechoslovak citizens' shopping in Poland and an increase in the number of Czechoslovaks traveling to the PPR in order to shop there.

It is true that the number of our citizens traveling to Poland has greatly increased this year, while the number of Polish citizens arriving in our country has slightly declined. **Still, the fact is that, while 578,000 Czechoslovak citizens visited Poland in the first three quarters of the year, 3,293,000 Polish citizens came to our country in the same period,** of whom day trippers accounted for approximately 80 percent. **Therefore, there were almost six Poles arriving in Czechoslovakia for every CSSR citizen traveling to Poland.**

Similar proportions have also made themselves felt this year with regard to tourist traffic with the other neighboring socialist states. In the first three quarters of the year, our republic was visited by 7,431,000 GDR citizens, which was four times the number of Czechoslovaks traveling to that country, and by 4,298,000 citizens of the Hungarian People's Republic, which is three times more than the number of our tourists heading for Hungary. Day trippers, whose trips are, to a large extent, for the purpose of shopping, are also strongly prevalent among visitors from these two countries.

Overall, the number of visitors to Czechoslovakia from socialist countries in the first three quarters of the year was 5.1 percent higher than in the same period last year, while the number of visitors from nonsocialist states was 23.2 percent higher. Although one can evaluate this development as proof of Czechoslovakia's growing attractiveness as a tourist destination, it is equally obvious that one cannot have any doubt about its impact on the situation on our domestic market.

New Regulations Explained

LD2311044588 Prague CTK in English 2148 GMT 22 Nov 88

[Text] Prague Nov 22 (CTK)—Czechoslovak Government spokesman Ivan Kulhanek explained today in an interview with CTK the new customs regulations of November 15.

He said that Czechoslovak citizens, particularly in border areas, have welcomed the adoption of measures to limit export of selected kinds of goods viewing them as necessary steps in protection of the home market especially now before Christmas. "We have always created the best possible conditions for the stay of foreign tourists in Czechoslovakia and we will further develop this tradition. On the other hand, the Czechoslovak economy is not ready to cover extensive purchases of certain kinds of goods by some tourists who by their excessive shopping change the character of their tourist trips," Ivan Kulhanek said and voiced the belief that an overwhelming majority of foreign tourists will understand this measure which has been made necessary and will, in their own interest, prevent complicated situations during customs formalities at Czechoslovak border crossings.

Agreement on Eurocheques Signed in Prague

AU1511124688 Prague RUDE PRAVO in Czech 12 Nov 88 p 2

[CTK report in the "By Teletype, Mail, Telephone..." column]

[Text] An agreement on the introduction of Eurocheques in Czechoslovak currency (i.e. Kcs) was signed in Prague [no date given] between the Czechoslovak State Bank and Eurocheque International, which is based in Brussels. According to the agreement, the Kcs-Eurocheques will be accepted by Czechoslovak banks and by nonbanking organizations authorized to do so starting with 1 January 1989. This is yet another form of expanding cashless payments within the framework of a lively tourist trade, which simplifies payments and curbs illegal currency exchange activities.

More on 18 Nov CPCZ Presidium Session

AU2311123188 Prague RUDE PRAVO in Czech 19 Nov 88 p 1

["Report on the CPCZ Central Committee Presidium Session"]

[Text] Prague—At its session on Friday [18 November] the CPCZ Central Committee Presidium dealt with the preparations for the 12th CPCZ Central Committee session, which—as was reported—is to be convened on

15-16 December. It discussed a draft of the CPCZ Central Committee resolution on the convocation of the 18th CPCZ Congress. It also discussed the preparation of a plan of the main tasks of the CPCZ Central Committee bodies up to the 18th congress and instructed all CPCZ Central Committee secretaries to ensure that work on this begins.

It discussed draft principles on the execution of the functions of deputies of legislative organs. These principles recommend that a deputy who leaves during an electoral period to work abroad and who cannot properly carry out the function of a deputy in bodies of the legislative organs and in the constituency surrender his mandate, and they further recommend that only chairmen of the Czech National Council and of the Slovak National Council be deputies of legislative organs. With regard to deputies who have been ill for a long time, when there are no prerequisites for successfully carrying out the functions, it is recommended that a principle be approved whereby resignations be tendered in cases where more than a year remains until the end of an election period. As for the selection of new National Front candidates for deputies to fill vacant posts, it is recommended that leading workers [predni delnici], cooperative farmers, members of the intelligentsia, women, and representatives of the young generation be nominated. Functionaries of central bodies should be nominated only in exceptional cases.

The CPCZ Central Committee Presidium was briefed on the government's principles of the amendment of financial-economic instruments in foreign trade for the period beginning 1990, and it took note of them. It also assessed the justification of the koruna's exchange rate vis-a-vis the currencies of the nonsocialist states, and took note of CSSR Government Resolution No 303 of 10 November 1988, which was adopted on the issue. It also took note of the course adopted by the CSSR Government on activating the CSSR customs system.

The CPCZ Central Committee Presidium discussed the course and results of the working visit of Aleksandr Yakovlev, Politburo member and secretary of the CPSU Central Committee, to the CSSR on 12-16 November 1988, and the talks held with him by Comrades Milos Jakes, Vasil Bilak, and Jan Fojtik. It valued these deliberations as an important contribution to the further development of cooperation between the CPCZ and the CPSU and to the strengthening of the unity of the two fraternal parties. The CPCZ Central Committee Presidium stressed that the identical nature of the fundamental objectives in the process of restructuring in the CSSR and the USSR enables and, at the same time, also requires that the acceleration of the socioeconomic development in every country, the establishment of a highly efficient economy and of the most perfect possible organization of society, of comprehensive intellectual development and the full use of the potential of the socialist social system, be accompanied by higher-quality cooperation in the sphere of the superstructure. It also welcomed the signing of the Program for Ideological Cooperation Between the CPCZ and the CPSU, and expressed the conviction that this will become an important contribution to the cooperation between our parties and countries.

It took note of a report on the course and results of the working visit paid by Jaromir Johanes, CSSR minister of foreign affairs, to the USSR on 11-12 November.

Government Holds Budget Plenary Session 24 Nov
LD2511033988 Prague CTK in English
2238 GMT 24 Nov 88

[Text] Prague Nov 24 (CTK)—The Czechoslovak Government discussed a bill on the 1989 state federal budget at a plenary session here today.

The bill proceeds from the basic tasks of the economic and social development of society, adopted by the 17th Congress of the Czechoslovak Communist Party and worked out in connection with the comprehensive restructuring of the economic mechanism in Czechoslovakia.

Prior attention is paid to the balance of the whole budget system and economic equilibrium. No principal changes occur in the system of subsidies compared with 1988.

An amendment to the law on the organization of courts and election of judges and the law on prosecution, which was dealt with by the government, is aimed at simplification of the steering structures of the Supreme Courts of Czechoslovakia and the two national republics and of the Czechoslovak General Prosecutor's Office. Thus conditions for higher effectiveness of these central bodies are to be created.

The government instructed the prime minister to submit all these proposals to the Federal Assembly for a debate.

The Czechoslovak Government discussed a proposal for the convening of the 11th national congress of unified agricultural cooperatives in 1989, and decided to convene it on December 1-3, 1989 to Prague.

The government was acquainted with a report on reducing the staff at the federal central bodies which was decided by its resolution of May 5, 1988. The report says that by the end of this year the number of employees will be reduced by 1,037, i.e. by 42 percent of the demanded cuts which are to be carried out by the end of 1989. The government asked its members and other heads of the federal central bodies to conclude the task by June 30, 1989.

The government approved a Czechoslovak-Soviet draft agreement on cooperation in environmental protection under which the two countries are to exchange experts, information and results of research. Their bodies and

organizations involved in environmental protection are to set up direct contacts. The agreement also provides for economic cooperation and construction of projects to protect the environment, especially in their mutual border area.

The government also approved the proposal to negotiate the 4th economic agreement between Czechoslovakia and India and instructed the foreign trade minister to take this step. It dealt with an analysis of the causes of shortfalls in housing construction. It noted that the concept of the state housing policy is not being fulfilled in the 1986-1990 period in the number of flats, amenities, modernization and preparation of new projects. The government instructed its members to create conditions for building schemes on a private, self-help, cooperative and supplier basis to make up for the shortfalls. As the fulfilment of the task specifically approved by the 17th Congress of the Communist Party of Czechoslovakia is endangered, the government decided to notify the Communist Party Presidium of the situation, its causes and consequences.

The Czechoslovak Government dealt with a report on the restructuring of the economic mechanism and the creation of concrete and system prerequisites for its introduction. It noted that the introduction of most elements of the new mechanism one year earlier than expected, i.e. on January 1, 1990, is not only feasible but also necessary. It gave instructions to work out a new time-table of steps which would ensure this aim and at the same time speed up work on the preparation of the 1990 state plan.

Number of AIDS Sufferers Cited

AU2511140988 [Editorial Report] Prague ZEMEDELSKE NOVINY in Czech on 24 November on pages 1 and 6 carries under the heading "AZT—A Ray of Hope Which Prolongs Life; Czech Medication Against AIDS?" a 1,000-word article by Jan Subert dealing with the latest developments in the struggle of medical science against AIDS.

Subert says in part that "in the CSSR to date there have been diagnosed 122 carriers of the virus and 12 patients with fully developed cases of AIDS. However, epidemiologists estimate that the number of carriers is around 1,000..."

Formerly Banned Films To Be Shown

AU2811171588 [Editorial Report] Prague RUDE PRAVO in Czech on 26 November on page 5 carries a 1,000-word interview with Jan Ulicny, deputy director of the "Koliba" film studios in Bratislava, by Frantisek Mucha entitled "Tribute to Unknown Humanity." The interview deals with the success of Slovak director Dusan Hanak's full-length film "Images of the Old World" at a recent international festival of documentary films in Switzerland, where it won the "grand prix" and three other prizes. The interview reveals that Hanak's film, which portrays old people from the Orava and Liptov regions of Slovakia, was shot in 1972 but "is still unknown to our public." Ulicny says that the withdrawal of the film "prior to the gala opening night" was the result of a "misunderstanding" concerning the "mission of a social document." Contrary to its intentions, Hanak's film was reportedly understood as a "reproduction in film of the specific social situation of members of the oldest generation and of the system of social care" and as a "critical juxtaposition of the proclaimed ideals and the less-than-perfect reality." In one of his replies, Ulicny refers to the fate of Czechoslovak films in general not screened until this time. He says: "Films that had not been screened at the time of their making for one reason or another will be reassessed by a commission, which also comprises representatives of the union of theater, cinema, and television artists. Naturally, we reckon on the gradual introduction of these films into the distribution network. Over a period of time, some of these films will undoubtedly also find their way to international festivals. To be specific: another of director Hanak's films, the by now legendary 'I love, you love' of 1982, will make the selection of domestically produced movies on the screens of our cinemas more varied before this year is out."

Article Accused of Racism Against Gypsies

AU2911124688 [Editorial Report] NEDELNA PRAVDA, the weekend supplement of Bratislava PRAVDA in Slovak, publishes in issues No. 46 (of 18 November) and No. 47 (of 25 November) readers' reactions to the article in issue No. 31 (5 August) of NEDELNA PRAVDA by Kornel Danas which called for tougher policy against gypsies, published in the 8 August 1988 East Europe DAILY REPORT. Both installments, which together total 6,000 words, are published on page 4, under the headline "Readers on a Painful Problem."

According to an introductory passage, most readers who responded to Danas' article agreed with the views and proposals for the solution of the Gypsy problem advanced in the article. Readers' statements quoted by NEDELNA PRAVDA agree with Danas in that financial support has a "demoralizing influence" on Gypsies because they spend the money mostly on alcohol; that child benefits paid to Gypsy families that "do not guarantee the procreation of healthy offspring" should be reduced and that "supervision of the use of child benefits, disability pensions, and other forms of support must be tightened"; and, in general, they agree that the "privileges which Gypsy citizens have enjoyed thus far must stop." Several readers also criticize the authorities for being too lax in dealing with breaches of law by the Gypsies, complain about the Gypsies' "woeful" work ethics, their "aggressiveness," and their endeavor to obtain disability pensions at a young age, and contend that "the problem of Gypsies in Slovakia is much more serious than we are ready to admit officially." Some of the statements quoted by NEDELNA PRAVDA also cite

data illustrating the scale of the problem. Doctor Jan Sopoci, candidate of sciences, from Bratislava, for example, says that, although Gypsies represent only 5 percent of the Slovak population, Gypsy children account for 45 percent of children in institutional care, for 62 percent of all children who attend schools for the educationally subnormal, and for 58 percent of the inmates of institutions for juvenile delinquents. Sopoci also mentions that 46.5 percent of Gypsy children end mandatory school attendance in eighth grade and that only 200 Gypsy children attend high schools or specialized secondary schools. A reader from Poprad mentions that Gypsies account for 39 percent of all recidivists in East Slovakia.

Only 4 of the 19 letters quoted by NEDELNA PRAVDA express disagreement with Danas' views.

Doctor Emi Kuchar from the CSSR Embassy in Helsinki is quoted as having written: "Our Constitution guarantees that all citizens enjoy equal rights and duties, irrespective of their nationality and race.... On reading this article, I, as a CSSR citizen, therefore cannot remain silent and must reject it completely, because it preaches national exclusiveness and racial intolerance. The article is particularly harmful because of its pseudo-scientific pretense. It demagogically manipulates the term 'oligophrenia' and pretends to be based on statistics, first-hand experience, work 'in the field,' and so forth. The way in which K. Danas poses the problem is all too reminiscent of the arguments of totalitarian racist regimes and their organizations. What are the following sentences supposed to mean? '...Their different way of life does not allow the use of any prophylactic means. Many Gypsies intensively indulge in the drinking of alcohol and produce feebleminded children out of intoxication.... The existing, mostly humane, and prophylactic, means are scarcely effective....' I think that I need not quote any further because the article is oversaturated with such 'thoughts.'

"Gypsies—Romanies—are full-fledged citizens of the CSSR. They differ from the rest of the population. I dare harshly polemicize with the contention that their ancestors' lives were devoid of hygienic and cultural standards. The author of the article is full of ignorance of history and, above all, disgusting prejudice. The Gypsies have their history and culture....

"In my opinion, the author's 'specific proposals' for the solution of the 'Gypsy question' are only lacking in the demand that these people be driven into camps and physically liquidated (particularly the feebleminded ones)! The vocabulary used by the author is also peculiar. I have never read material that would so unscrupulously and from such a great distance deal with the question of sexual contacts of some part of our population...."

In conclusion, Kuchar concedes that the problem of the "full integration" of the Gypsy population in the life of Czechoslovak society is a serious one, but he maintains that "extremist views" such as those of Danas cannot serve as a basis for discussion and that "no problem should be solved at variance with the principles of humanity."

The other letters of disapproval come from Eva Nagyova, a Gypsy from Galanta, Andrej Kaputa from Svidnik, and Engineer Imrich Farkas from Bratislava.

Nagyova, who regards the very use of the word "Gypsy" as an offense, describes the difficulties encountered by "every decent and intelligent Romany" in Czechoslovakia because he "meets with the aversion of people, who treat him as someone who is inferior." She also argues that the social problems raised in the earlier NEDELNA PRAVDA article, such as drunkenness, the aggressiveness of teenagers, and premature pregnancies, are not exclusive to the Romanies.

Kaputa protests against the "harsh administrative procedure" proposed by Danas, adding that "it seems to me that the stricter measures [proposed] to put a damper on the growth of the Gypsy population are only some form of anti-Gypsy 'pogroms.'"

Imrich Farkas, finally, who says that from June 1966, until December 1987, he worked as secretary of the Slovak SR Government Commission for Questions of the Gypsy Population, takes issue with some of the factual statements made by Danas. He responds, for example, to Danas' claim that Gypsy families tend to have "10 or even more children," that Gypsy girls who give birth at the age of 13 or 14 are "a common occurrence," and that the latest increases in child benefits have triggered "an outright population explosion" in Gypsy families. Citing statistical data, Farkas mentions that, in Slovakia as a whole, Gypsy families have an average of fewer than 3 children and that the number of families with 10 children is negligible. In 1985, he continues, only 21 children, that is, 0.3 percent of all Gypsy babies, were born to mothers of 13 or 14 years of age. In 1986 and 1987, this number was reportedly even smaller—18, or 0.26 percent. Farkas also denies that there has been a "population explosion" in Gypsy families in recent years: 6,632 Gypsy children were reportedly born in the Slovak SR in 1985, followed by 6,849 children in 1986, and 6,362 in 1987.

Farkas also objects to Danas' criticism of financial support for Gypsy families. He notes that the funds appropriated to "promote the process of acculturation and social integration of the Gypsy population" are not paid to the Gypsies in cash but are used to solve their housing situation, to provide Gypsy children with clothing and shoes, to provide free meals to children in kindergarten and school, to upgrade sanitary facilities in their homes and communities, and the like. As a result, these funds "cannot be abused to purchase alcohol."

Whenever there is a suspicion that the money might be "abused," national committees are reportedly instructed to withhold it.

On the other hand, Farkas concedes the validity of Danas' criticism of the "ill-considered integration of Gypsies into city centers." He says that it is necessary to see to it that only one Gypsy family is assigned to each housing unit. This family, he continues, "must be assigned an apartment on the ground floor so that the other tenants can pay heed to its conduct."

In conclusion, Farkas says: "Although the author of the article 'A Painful Problem' wrote it with good intentions, he assessed the questions connected with it too pessimistically. The truth is that of the 243,000 Gypsy citizens registered as permanent residents of the Slovak SR, only less than one-third leads a backward life. More than two-thirds of them have become integrated in normal life to a smaller or greater extent. After all, almost 80 percent of all Gypsy citizens of working age are gainfully employed and work in almost all professions."

Karoly Grosz Addresses 22 Nov MSZMP Session

AU2511141088 Budapest NEPSZABADSAG in Hungarian 23 Nov 88 pp 1, 2

[Speech by Karoly Grosz, MSZMP general secretary and premier, at the meeting of the MSZMP Central Committee on the occasion of the 70th anniversary of the Hungarian Communist Party, on 22 November: "The Hungarian Communist Party Gave Answers to the Vital National Issues of Its Time—Karoly Grosz' Festive Speech on the Occasion of the 70th Anniversary of the Founding of the Hungarian Communist Party"]

[Text] Esteemed Central Committee, dear comrades!

Before we start our real work, it is our responsibility to remember an outstanding event that took place 70 years ago, namely the founding of the Hungarian Communist Party. We remember this with the conviction that the importance of a remembrance is not judged by its externals, but by the extent to which we are able to apply its lessons today. This way we can pay adequate tribute to the deeds and memory of our revolutionary predecessors. We not only respect their heritage, but also want to rely on it and derive from it strength for our current tasks. What do the Communists want?—the party asked at that time and gave a convincing, firm, and well-oriented answer. The Hungarian Communist Party announced a political program that reflected the state and tasks of contemporary Hungary in qualitative dimensions totally different from any previous program. The party started deliberately and consciously from a class viewpoint, but it was able to raise ripe problems immediately on a national level. The details of its program were not, nor could they be completely flawless, but even considered by the strictest historical analysis, these mistakes did not change the obvious truth that this platform formulated the most appropriate answers for the vital problems facing the nation in that period. The party believed that one could and should solve these problems exclusively by means of a radical, proletarian-revolutionary transformation of the prevailing social conditions. The Hungarian Communist Party emerged from the complex and contradictory conditions of Hungarian society prevailing at the beginning of our century. The party emerged under conditions and circumstances when the often faltered, halted, and ambiguous development of Hungarian society had again come to a tragic break. Millions of people were overcome by a feeling of hopelessness and lack of a way out. The burdens of World War I, the defeat, the losses, and the consequences had all placed a heavy burden on the Hungarian nation. The sad prospects of a real danger of territorial disintegration soon after the country had regained its independence were looming ahead. In spite of its noble intentions, the bourgeois-democratic revolution was also unable to provide a proper way out of that situation. The answer had to be sought in another direction. A left-wing alternative became necessary. There was a strong demand for an organized and conscious political force that would take the lead, and would be able to and dare to lead. This was the Hungarian Communist Party. Its program drew a clear line between the bourgeois order which it considered to be obsolete from the viewpoint of world history, and the socialist prospects which history had brought to the fore. This program considered socialism to be the only possible way of advancing Hungarian society that time. The party's influence and mass support increased rapidly.

The changes in Russia, the example of the victorious Great October Revolution, and the acceleration of mass movements in Europe, all these provided a good background for the Hungarian Communist Party. Its program aimed at solving the basic problems of Hungarian society. This program was in harmony not only with the needs of Hungarian society, but also with the global historical changes from the East. Theoretically, this program was both consistent and well-founded, and it was Leninist in its views. Its acceptance by the masses was facilitated by its convincing power and by the fact that it had been known for a long time among the working people whom the social democratic movement had organized into a class, and the ideas of Marxism and socialism were strongly alive among this class.

This program brought new horizons also because it did not regard socialism as some distant goal to be achieved by means of a spontaneously emerging evolution, but as a topical and deliberately directed revolutionary process. It is particularly worth noting that, in the concept of the Hungarian Communist Party, the idea and prospects of socialism combined in a progressive way the great Hungarian spiritual change that occurred at the beginning of our century—a period also marked the name of Endre Ady [Hungarian poet]—the ideas of bourgeois radicalism with the massive power and dynamics of a vigorous workers movement.

Thus, the party grew up on various ideological sources, but it was founded by determined and self-sacrificing revolutionaries under the leadership of Bela Kun. The best circles of responsible intellectuals who were searching for a way and who had long been ready for changes identified with the ideas and efforts of this movement organized and directed by the most active strata of the working class. These plans and prospects also required in practice the cooperation and gathering of all the progressive forces around the revolutionary working class and around this movement. This force was the only suitable one capable of consistently leading the struggle during which the struggle for social liberation could also open the way to national development.

The party wanted to build socialism on the pillars of a strong and vigorous movement. The party rejected all theories and practice of self-contained revolution. The party strove to strengthen its contacts with the masses. Its journal, VOROS UJSAG [THE RED PAPER], also served this goal.

The party's ability to come up with a program, its constructive activity, its active dynamism, its courageous stand, and its determination to achieve its goals urged the people to follow the party because it gave faith, real hope, and self-confidence to the people. These characteristics made the party a vanguard of the masses, in the best sense of the word. History gave the Hungarian Communist Party a very short time, only half a year, to organize and prepare itself and the masses. The party solved tremendous tasks successfully.

A new road, a new phase began in the life of our people in March 1919. Even if for a short time, with the victory of the first Hungarian workers' power, the Hungarian Republic of Councils, the possibility of socialism ceased to be just theory in Hungary. Only after 25 years of oppression could socialism again become a social order that determines our fate and which demands continuous renewal. Proper use and development of the heritage of socialism and of the values accumulated in the 70 years of this movement is our common task. Only by solving these tasks can we be worthy followers of the cause which was represented for the first time in Hungary by the Hungarian Communist Party and which, considering its essence and regarding it from a historical perspective, we continue to regard as a valid program.

Communique Released on Session

AU2811092588 Budapest NEPSZABADSAG in Hungarian 24 Nov 88 p 3

["Communique on the 22 November MSZMP Session"]

[Text]

I.

1. The Central Committee established that the reform process has become an increasingly determining trend in the development of socialism in some socialist countries and that it provides a favorable international background to the meeting of our domestic tasks.

The Central Committee attributes utmost importance to the measures taken in recent months by the CPSU to accelerate the process of restructuring. It regards the steps aimed at the renewal of the Soviet agriculture as an important part of the economic reform. Our party and people follow with interest and sympathy the efforts to settle the nationality issues in the Leninist spirit.

The Central Committee holds the position that the commitment of the PZPR and the government to social dialogue and their consistent policy to create the framework of socialist pluralism and establishing a state of law may gradually create the conditions of economic and social consolidation.

The Central Committee reconfirmed that the Hungarian People's Republic sincerely hopes that the LCY carries out the reform of the economy, the political system, and the party, and ease social tensions successfully.

2. As for the Romanian act of provocation against the commercial counsellor of the Bucharest Embassy of the Hungarian People's Republic, the Central Committee expressed its agreement with the official state position expounded in the Foreign Ministry's note of protest. The Central Committee emphasized that it holds this attitude inadmissible and unacceptable, and rejects in the most resolute way the phenomenon which is incompatible with both the principles of socialism and the intention of developing Hungarian-Romanian relations. Responsibility for all consequences of this grave incident lies with the competent Romanian authorities.

3. The Central Committee highly appreciated the constructive attitude of the states taking part in the process of security and cooperation in Europe. It welcomed the sober compromises which created a realistic chance for the conclusion of the Vienna follow-up meeting this year and may make it possible to launch talks on the deepening of political, economic, and humanitarian cooperation, and the reduction of conventional armed forces and weapons in Europe.

4. The Central Committee pointed out that the document approved in the Budapest session of the committee of foreign ministers of the Warsaw Pact provided a suitable base to advance in the process of confidence- and security-building. The foreign ministerial talks were a further stage of foreign policy coordination within the Warsaw Pact, on the basis of equal rights.

5. The recent steps of the Hungarian foreign policy made a useful contribution to creating the external conditions of the stabilization and development program. Karoly Grosz's visits to Iran, Austria, Spain, and France were important events in our relations. The highest-level talks further enhanced Hungary's international prestige and explored new possibilities for deepening cooperation.

The talks held in Budapest with Aleksandr Yakovlev, member of the CPSU Central Committee Politburo, reconfirmed that the two parties held a fundamentally identical approach to international affairs and the topical tasks of socialist construction.

6. The Central Committee supports Hungarian diplomacy's view that, in addition to interstate relations established in the framework of the process of security and cooperation in Europe, bilateral and multilateral cooperation between the political parties of the continent should also contribute to strengthening unity in Europe. The Central Committee considers it justified to expand the joint initiative of the MSZMP, the Finnish Social Democratic Party, and the Italian Socialist Party so that the parties of as many countries as possible can be involved in the cooperation of nonnuclear states.

7. The Central Committee welcomes the resolution of the Palestine National Council proclaiming the Palestinian state, which is aimed at the practical enforcement of the Palestinian National Council's successfully contributing to the just settlement of the Middle East problem.

II.

Since the national MSZMP conference, the Central Committee has set a number of initiatives to update the operation of the party so that its leading role is efficiently asserted in society. The initiatives include the determination of the tasks of the Central Committee and the Political Committee for the renewal of its work method and working order, and the regulation of the activity of the working committees, working communities, and the consulting body, as well as the organization and operation of the party's central apparatus.

1. The Central Committee directs exclusively the party organs and organizations. As for the other organizations of society, it transmits the party's policy with the mediation of party members and communist groups, by means of the movement. It respects the exclusive legislative role of the National Assembly. The Central Committee grants the Council of Ministers autonomy in government, and it supports its activity. The Central Committee expects the autonomous social organizations and movements to make a responsible contribution to policy-shaping by exploring and expressing the interests of the strata they represent. The Central Committee considers it necessary for negotiations between organizations that represent various interests and negotiations with the government to become the main form of preserving and coordinating interests.

Between two congresses or party conferences, the Central Committee acts as the party's supreme body of political direction, decisionmaking, and control. The Central Committee has the exclusive right to make decisions on issues concerning all party members. The Political Committee has the task of preparing the decisions of the Central Committee and organizing the implementation of resolutions. Between the two sessions of the Central Committee, the Political Committee is the leading organ of the party and decides on the issues falling within its competence.

2. The Central Committee decided to set up working committees adapted to the requirements of its renewed political activity: an International Legal and Public Administration Policy Committee, Social Policy Committee, Party Policy Committee, and an Economic and Social Policy Committee. In addition, the Central Committee considers it important to operate economic, cultural policy, cooperative policy, and scientific policy working groups. The Central Committee will create its advisory body in accordance with previous decisions.

The work and organizational set-up of the central apparatus should be adapted to political activity. Its staff should be reduced by 8-10 percent. The Central Committee winds up the eight departments of its former apparatus. The tasks of the central apparatus will be fulfilled by flexibly cooperating work groups under six departments. The apparatus is the working organization of the Central Committee with a function to assist. It cannot direct either the lower party organs or their apparatuses.

III.

1. The Central Committee discussed a proposal on amending some regulations of the Constitution. It established that the Constitution was being revised comprehensively, and it established the conception of the new constitution elaborated in keeping with the policy statement of the national party conference. Simultaneously, the political requirements made it justified to draft some laws that also affect some regulations of the Constitution. These include the drafting of the laws on the right of assembly, on the right of association, and on referendums and plebiscites, the establishment of a constitution court, and the modernization of the standing orders of parliament. The Central Committee supports that the Council of Ministers, in line with current legislation, should initiate the modification of some constitutional regulations.

2. The Central Committee proposes that parliament should pass a law on referendums and plebiscites with the aim of making it possible for citizens to take a direct part in decisionmaking on national and local issues of fundamental importance. On issues that divide the public, referendums should also contribute to working out a consensus.

The Central Committee supports the holding of referendums on national, county (municipal), and local levels, too. Important issues that directly affect the entire population or parts of the country or district populations should be decided by referendum. The National Assembly and competent local council bodies should have the authority to hold a referendum, but a determined number of citizens should also be able to initiate the holding of a referendum.

The Central Committee recommends that this law should also regulate and ensure the people's initiatives: At the initiative of a determined number of citizens, the National Assembly or local council bodies should decide and create regulations on issues in their sector of authority.

The Central Committee considers it appropriate that the PPF organize a wide-scale debate on the draft law that also contains alternatives.

3. The Central Committee established that the public debate over the draft laws on assembly and association was useful and constructive. Most of the people in the debate agreed that it is necessary to legally regulate the two basic rights of citizens even prior to the revision of the Constitution. However, by making use of the experiences of the debate, it is justified to reformulate the text of the draft laws and come up with more precise formulations in certain places. Both laws should unambiguously declare that the rights of assembly and association are civil freedoms which are recognized by the Hungarian People's Republic, freedoms which also guarantee their undisturbed exercise. At the same time, the exercise of the rights of association and assembly should not violate the constitutional order of the Hungarian People's Republic, should not constitute a crime, should not call for the commission of a crime, and should not infringe upon the rights and freedom of others.

It is not necessary to announce events to be organized in public buildings. The law should stipulate regulations that ban such events only in special cases, such as when such events would seriously threaten the smooth functioning of bodies that represent interests or of the courts, or when such events would be followed by a disproportionate violation of traffic laws. If a meeting violates legal regulations, the police will disperse its participants.

The draft law on association should unambiguously regulate that social organizations may be set up for any activity that complies with the Constitution and is not prohibited by law.

The role played by the political party in the social system is subject to the regulations of the Constitution. The law should stipulate that the right of association also extends to the foundation of political parties. At the same time, a separate law should be drafted on the foundation, registration, and folding up of political parties. A court registration should be required after the establishment of a public organization, and this registration cannot be denied if the founders meet the conditions stipulated by the law. These public organizations will become corporations only after they are registered by the court.

The Central Committee supports the proposal that the public prosecutor's office should supervise the legality of these public organizations and that the court should have the authority to make decisions necessary to restore such legality.

The Central Committee agreed with the proposal that the Council of Ministers should submit the modified draft laws to the National Assembly.

4. The Central Committee discussed a proposal on further developing the policy toward national minorities and the guidelines of a nationality law. The Central Committee declared that the policy toward national minorities should actively defend and support nationalities, as well as create appropriate conditions for them to develop their identity and specific culture. The Central Committee emphasized that belonging to a national minority can only be based on a personal decision. The law under elaboration should include guarantees against any discrimination, and prevent any constraint on undertaking existence as a minority or assimilation. The Central Committee declared: The existence and prosperity of national minorities and support in preserving their national characteristics are also the standards of the democracy of our society and of its political maturity. The policy pursued by the MSZMP toward the national minorities follows from its principles and does not depend on the minority policy of neighboring countries.

IV.

The Central Committee calls upon the national minority federations and the party and social organizations of settlements inhabited by national minorities to express their opinions about the guidelines. The Central Committee proposes that the Council of Ministers prepare the draft law on the basis of these guidelines, and that the PPF organize the public debate on the draft law on national minorities.

The Central Committee decided on some modifications in the payment of membership dues. Keeping the comments and proposals of the party members in mind, the Central Committee holds it necessary to define the basis of membership dues more expressly and more clearly, adjust the membership dues of wage and salary earners to their net earnings, and reducing their extent. The sum of membership dues will decrease and administration will accordingly be simplified. The loss in income is to be counterbalanced by austerity measures.

Grosz Addresses Budapest Party Activ 29 Nov

LD2911234088 Budapest Domestic Service in Hungarian 1800 GMT 29 Nov 88

[Report on speech and question-and-answer session by Karoly Grosz, MSZMP general secretary and premier, at a party aktiv in Budapest on 29 November, by correspondent Gabor Bankuti—all remarks by Grosz are recorded]

[Text] [Bankuti] Ten thousand communists from Budapest, representing the capital's party organizations, gathered together this afternoon in the Budapest Sports Hall, to listen to General Secretary Karoly Grosz. The hall, which contained no ostentatious decorations or slogans, was full by 1545 hours. The central men's chorus of the Workers Guard sang until the general secretary arrived after the Politburo session. After an opening speech by Mihaly Jasso, Budapest first secretary, Karoly Grosz took the microphone:

[Grosz] People are right to ask whether there is any extraordinary reason for today's meeting. I don't believe so. It is normal for a political party to discuss its tasks from time to time—in this form too—and to state its

opinions on topical political issues. It informs its comrades, both here at home and beyond our country's borders, of its existence and its opinions of world affairs and the events taking place within the country. It indicates to its current and potential allies that they can depend on it; that there is someone they can form an alliance with; and from time to time they can measure its flexibility, conduct and rectitude. It also announces to its enemies that throughout the country it has support in the sports halls, the workplaces, the regions, and of course, in the streets as well if necessary. [applause] It delivers the message of its presence so that it level-headedness, patience, and understanding is not misunderstood or wrongly explained.

In the past we have not often held this type of meeting. Nowadays the practice is becoming more frequent and we shall make a habit of it in future.

[Bankuti] Karoly Grosz also replied to questions from Budapest communists.

[Grosz] What is the internal political situation like, people ask? I am reading the question word for word. How many of the current elements of transformation have occurred by accident and how many were consciously organized and planned in advance?

We are part of a multicolored domestic political life which came about long ago, and I believe that we are also active modelers and shapers of it. Of course, I cannot say that we planned everything in advance or that everything has happened in the way we imagined. I am not complaining. The laws of motion are having a desireable effect. New, creative energy is being released into public life. Of course, there are inevitable side effects and phenomena which we are not pleased with, but we expected them.

However, the general domestic political situation is changing positively. The idea of politicizing society is nothing new. We have always lived joyfully and organized an active political public life. Unfortunately, our 4 decades of history proves that political life genuinely livened up when our difficulties and problems increased; and we became complacent if our life improved by one jot. Strictly speaking this is the current issue too.

What is encouraging and valuable in this enlivened political atmosphere? First, apathy has decreased and interest in the fateful questions of the present and future is increasing. People are becoming more aware of the interconnections between the economy and politics, between the domestic processes, the changes, and international trends and conditions. We have realized that there is a great desire to do things. We have realized that there is a great desire to do things; the desire to act is immense; and there is an intelligent—I should like to emphasize intelligent—readiness to make sacrifices.

Most responsible people want change and renewal in a way that also accepts the continuity of the values of the previous 4 decades. They are not rejecting socialism, but the particular form which characterized it between 1949-56, and which disappeared from out life in the past 30 years. At the same time, because the form of socialism which replaced it provided no guarantee against new subjective decisions by defective leaders, and because the difficulties which are well known arose, for this reason among others, they now demand the complete abolition of the Stalinist model, the vestiges and consequences of which can still be felt today.

Many valuable new leaders are appearing in public political life. Many spontaneous communities are coming into existence. A lot of useful advice and ideas are being developed to help the leadership and to solve local problems.

What is giving rise to unease? First, the drive for unconditional renewal and rejuvenation. It has become fashionable to reject everything whether justified or not. The radicalization of methods, threats of strike action, and immoderate demands are the mass expression of demands which cannot be met from the outset. Unease arises from the fact that some people have a one-sided outlook that only recognizes distribution, and underestimates production and wealth creation.

[Bankuti] Karoly Grosz, also replying to questions, briefly outlined developments after 1956. He spoke both about achievements and mistakes, but he devoted special attention to the confidence crisis of the 1980s and to how this arose.

[Grosz] There are several reasons for the crisis of confidence which existed in the second half of the eighties, just as there was for the earlier formation of a consensus. The economic situation deteriorated rapidly, which conjured up a terribly pessimistic future and a lack of prospects. It emerged that the basic cause of our economic problems is that the existing production structure and technical standards to not stand up to international competition and the requirements of the world market.

So we open up to the world to no avail. Our products are not competitive, they are of inferior, mediocre quality; they can only be produced at a high cost, and there is no possibility of changing this in the short term.

Among the causes of the crisis of confidence was large-scale import inflation which vigorously undermined confidence, because along with the unjustified overemphasis of unemployment, it brought back into our life the long-forgotten uncertainty of existence.

The complexity of our system of social direction blurred personal responsibility so that it is difficult to catch in the act those who have committed the mistakes. This is why reform of the system of political institutions, psychologically as well, has become a condition for restoring consensus.

Our situation is made difficult because in the crisis of confidence—let us admit it—first occurred in the party. Why? The party membership feels, and it feels this way at present too, that it must share responsibility, while as things stand it does not have a real say in the development of processes and it does not have real influence on the situation which has taken shape. The relatively low level of democracy and openness can also be added to this.

Therefore, the questioner rightly asks, and so do I, whether or not socialism is in crisis. My resolute opinion is no. It is not socialism which is in crisis, but the practice which fell behind; a practice which was created at a time when things were made to last and were measured on a historical scale; but it was not able to renew itself to meet the new requirements of the developing, changing world. It is not the ideological system which failed, but how we transform the ideas into reality. The ideological system can not help it if its basic principles are applied in an outdated manner.

What is our objective? What must we do? This is the most important question to answer.

We resolutely state that we shall continue to build socialism, and we call the entire Hungarian people to this cause. Our objective is unchanged: to build a classless society free of exploitation, which offers its members, on the basis of the work done, a just, good existence; security, which enables the free development of individual and collective creative forces. The realization of all these objectives of ours can, of course, be impeded by the backwardness, or insufficient development of production forces and production relations, as well as by the international and world economic processes that can develop unfavorably.

However, these factors cannot force us to give up our objectives. We want a socialism, but a version which is more democratic and whose basic characteristic is that the traditional, over centralized political practice is replaced by a political system which is based on a new type of pluralist contract [pluralis szerzoedes] which is built from below, but is also supported from above, and which function in harmonious unity. This political work-method accords with the new situation, with the new requirements, and—I should like to emphasize—with the new consensus too.

[Bankuti] Karoly Grosz spoke about society's structural issues, about property relations, and then he entered into debate with the view, which a group recently stated, that a new distribution of land is necessary.

[Grosz] The collectivization of agriculture was a historically significant measure in Hungary, not only from the viewpoint of the socialization of property [tulajdon tarsadalmasitasa], but because it was the pattern for the modernization of the Hungarian village. In our country, this path was generally successful, and Hungarian agriculture caught up with the European vanguard, and it became capable of smoothly ensuring our country's supplies.

Naturally, reforms and further measures are also necessary here. However, the task is not to radically transform the existing foundations. Another land reform, the abolition of the system of cooperatives, the formation of some kind of farm system, is unacceptable to us, because it would not only destroy the results we have achieved, but it could entail fateful consequences for the entire country.

I should like to say a sentence here about the role of private property too. We repeatedly declared at our party conference that socialism is a form of mixed economy. Here, it ensures freedom of maneuver, alongside state and cooperative property, for private property too. When I was in the United States, a journalist there asked me: How much, what proportion, could I conceive the share of private property to be within all property. I said that I could not say because it must be tried. He said that I should give a figure. If I remember correctly, I said 25-30 percent. Well, the news went around the world. Here at home I received an enormous number of reprimands, and was told that I was selling off socialism.

Comrades, I should like to tell you that, unfortunately, the danger of achieving this 25-30 percent, does not threaten us. But I profess my old conviction: We went too far when within all property forms, social property reached 96-97 percent in our country. We were not justified in eliminating private property from the category of property ownership. Why? It helped the stratum which obtained tools that we could have reinvested in production, to attain a squandering, extravagant life style. We stripped ourselves of a resource which could have been at our disposal to expand production. And becaue of this too, and we should not underestimate this, the state had to take on burdens the consequences of which can be measured in billions [currency not specified]. In years and decades, this amounts to a considerable sum.

There are socialist countries which, even after 40 years, are not where we are now, regarding the proportions of property ownership, when we begin to raise the proportion of private property. We need not fear a socialism where private property reaches one-third—which can only be ensured in the far distant future—but we must fear a socialism which means we cannot operate and utilize effectively enough the production potential of social property.

[Bankuti] After this Karoly Grosz dealt with issues of democracy.

[Grosz] People must realize that democracy is not a gift; on the contrary, it is a historical achievement which has its role not in production, but in politics and in public

life. I find that here too one can see a confusion of roles. We devote greater attention to production democracy than to public life democracy, whereas in production it is not democratic methods that are fundamental, but—and I would ask your forgiveness for the expresson—it is the dictatorial, hard, consistent tools of direction that achieve the goal.

Political pluralism has also figured among the questions I have been asked. That's why I would like to express my opinion about this straight away. Political pluralism is important, but it is only one of the prerequisites for democratization. What this means is that in an articulate [tagolt] differentiated society the divergent interests come to the surface democratically. They are expressed in a democratic way through political channels. These interests can be coordinated with the store of political tools and can be integrated completely.

We are undertaking more than the shaping of political pluralism and the introduction of its practice. We are working on making the state and political power social [az allam es a politikai hatalom tarsadalmasitasan munkalkodunk]. This means dismantling [leepiteset] power functions, the strongly-centralized power functions, and developing and unfolding [kibontatkoztatas] local self- government functions.

Here I would also like to say that, amid the conditions of a one-party system, one of the guarantees of the practice of political pluralism, and its organizational framework is the PPF movement, which embraces the widest political processes. It provides an opportunity for debate, it provides an opportunity to coordinate divergent opinions, for social supervision, for creative public work, and thus it provides an opportunity for the exercise of power as well.

The reason I have stressed this is because one of the questions was: How do you envisage regional party work? I would like to answer this here by saying that I see the modernization of regional party work like this: that in the regional party basic organizations, in the district basic organizations, and in the PPF organizations functioning in the regions, and in the various social organizations and associations that have come or are coming into being in the regions, the communists are there. Thus they can conduct a live and lively dialogue with the well-intentioned non-party people; thus they can exchange thoughts and thus they can gather experience for party direction from that very wide social stratum which every day experiences the building of socialism.

I spoke about values. I would like to continue on this subject. A fundamental value of socialism is freedom and the free development of the personality, as well as the unfolding of the communities' democratic autonomy.

[Bankuti] The next topic was our present situation, the security of existence, and the new consensus.

[Grosz] I am convinced that an important concomitant, but also a condition, of the unfolding of socialism is safeguarding and maintaining the security of the existence of members of society. In the past 4 decades, we have done a great deal in this field. In recent times, however, it seems, first and foremost, because of our production problems we were not able to maintain that security of existence which is needed for political stability. This is why, at the cost of the dynamic development of production strength, of developing competitiveness, of creating a more modern economic management, we must get to the point where we can once again produce the material tools which are necessary to maintain the security of existence.

By security of existence I do not mean egalitarianism; do not misunderstand me. History has pronounced judgement on this as well by now. At the same time, partly inflation, partly unemployment, in a certain sense, the lack of prospects in acquiring housing not the shortage of housing itself—they all contribute to strengthening the lack of security of existence. This is why we cannot renounce the creation of welfare security, or the guaranteeing of full employment either; not even if there is a rugged path on the way to attaining this.

Why have I listed all this in such detail? Because I wanted to show that we have a program for the renewal of socialism. Because in my view, these are the essential elements of socialist renewal, and I see a realistic chance that we will be able to realize this within the foreseeable future.

Can a new consensus be created for this? I am convinced that it can.

[Bankuti] The next topic was party reform: a one-party system or multiparty system? Karoly Grosz received many questions about this too, both verbally and in writing. Here is the reply:

[Grosz] The party is nothing but a tool for building socialism. At the same time, and I would also like to stress this here, it is a tool, but not a toy [eszkoez de nem jatekszer] which, when we get fed up with it, we throw on the rubbish heap [a szemetdombra]. [applause]

What is the social basis of this party? It is every stratum that is interested in building socialism, in the nation's rise, and in maintaining a Europe free of military conflicts. This however demands not passive conduct, but active support arising from moral and political responsibility.

Does the party's class character diminish with this? No. Today naturally the party would not organize into a workers party. But the party realizes the objectives, the most noble objectives of the working class, and it coincides with them. And these objectives are indentical with the historical objectives of the cooperative peasantry and the Hungarian intelligentsia too.

We, the Communists in the MSZMP, imagine the future under the conditions of the one-party system [loud applause] At the same time I would like to pause for a moment. Legally we cannot deny that a multi-party system could also exist in Hungary. On what basis can we deny this? We can not deny it. The MSZMP has always declared that it is a Marxist-Leninist party. This is a national and internationalist commitment. One of the basic principles of its organizational operation is democratic centralism. It shoulders its past and it shoulders its international commitments. Therefore, the MSZMP has created a clear political situation around itself.

At the same time the question arises whether every citizen accepts the Marxist-Leninist party character; whether every citizen sees the guarantee of the country's development as lying within the party; whether every citizen wishes to assert his political ambition within the party. No. No.

Not every citizen wants this. There is and there will be, because there has been up till now as well, a right-wing, anti-regime, extremist tendency. Let us not delude ourselves. Since 1945 there has always been one in this country. Its presence and vociferousness depended on what the domestic political situation was like. So far these people have not appeared on the political scene because of the political conditions. It is conceiveable that these forces will appear more markedly on the stage of politics in future. I am convinced that our constitution, in accordance with the will of the people, will be a socialist constitution. Therefore, consequently, it will not give antisocialist, anti-regime parties the freedom and opportunity to function. [loud applause] I would also like to say that the MSZMP will conduct an open political battle against the extremist, right-wing, reactionary forces. [loud applause]

You may ask, however, whether between the commited Communists and the extremist reactionaries, a stratum exists which every policy must reckon with realistically. It does. One must not, and we do not have the right, to deny its existence. Within this stratum, there can also exist a stratum which conceives of the future of the Hungarian people not lying on the path of socialism. An extremist band within this stratum certainly envisages the Hungarian nation developing on the path toward a bourgeois system [polgari berendezkedes], but it wants to attain this, not through struggle and conflicts, but gradually. It does not want confrontation, because it has recognized, out of a committed patriotism, that this would cause the nation grave damage. The MSZMP does not have to fight with this stratum, because in my opinion it contains very many shades of color, but day by day it must win this stratum over to its political endeavors. This is the only path we must tread.

Within this middle stratum there are very many well-intentioned, decent people, who have lost their confidence during the past period. We must not turn them away from us. On the contrary, we must attract them to us, by good words, with sober politicizing, and with an open, honest exchange of views. [applause] If these forces envisage the opportunity to assert their interests within various groupings and parties, then it is my conviction that in the long term, we can not legally deny them this opportunity. I do not ask you to accept my standpoint; I merely profess that we must guard against denying everything from one day to the next, and kicking over our political structure which has evolved over 4 decades. But we must also guard against thinking that only this single political structure is suited to allowing every person to find his prosperity in socialism.

There is a practical question here too. The Smallholders Party has registered that it will form, the National Peasant Party has registered that it will form. I heard today that the Party of Hungarian Communists has been formed, and I received a letter last week saying that I should join the Social Democratic Party.

Well, these parties—not counting the Social Democratic Party—did not legally cease in Hungary. However, they were not even legally formed in Hungary. What shall we do? This question can be handled with legal tools; it can also be handled with political tools. I would say that we should handle it with political tools. I think that the newly formed Communist Party must be asked what its program is. What does it want? That which we have surpassed? That which they have surpassed in the Soviet Union, too? What kind of political program does it have?

The Smallholders Party must be asked too: Where has it been, and what has it been doing up to now? What was it doing, for example, in 1956? And, the document exists when Janos Kadar, commissioned by the MSZMP, asked the then leaders of the Smallholders Party and the National Peasant Party to join in the healing of the wounds caused by 1956, and to take a part in the consolidation. And they did not do it. They refused cooperation.

[Bankuti] After the historical example, speaking about the possibilities of today's situation, Karoly Grosz continued his train of thought thus:

[Grosz] I believe that in a one-party system, in alliance with the various social forces, if need be in a left-wing bloc, we will be able to work together for the uplifting of the country.

What is needed for this? The MSZMP must act for this, too. First, and before all else, it must restrain itself. Do not be surprised at what I say. The practice whereby the party in its entirety, one-to-one, (?represents) the practice and mechanism of state directing has been superceded by life. We do not have to be there at every question of detail; we do not have to intervene in every question of detail; we do not have to take upon ourselves the task of state plans; we do not have to take upon ourselves the

interest representation function of trade unions. What we do have to take upon ourselves, which must be fulfilled by a political party in society, is that we must deal with politics.

What is politics? A clear and principled standpoint on the main questions which determine fundamentally the development of society. Let us admit that there are many of us here who have been working in the party for a long time. We often carried out work, took upon ourselves roles which drew forces away from creative politicizing. Many things became important. Often of least importance was the person with whose thought, thinking, mentality, we should have been concerning ourselves.

A political party must engage in politics. Politics must be represented, declared, and more and more people must be won over for the politics. This is its fundamental task.

[Bankuti] For the renewal of the party, the conceptions must be thought through, said the general secretary:

[Grosz] It is not Marx and Lenin who must be disowned, but that which we declared and taught under the title of Marxism and Leninism—and the two things are not the same.

[Bankuti) After this, Karoly Grosz replied to a question which is often mentioned, very often raised.

[Grosz] Is there a power struggle, are there rivals in the Politburo, among the secretaries, and, as this usually is, in the narrower party leadership?

I am replying to this question because it points further than that which is formulated by the question. How do they view the leadership from within the party? We must get used to the fact that, today, unity is manifested in politics and also in the political leadership, in a new form. The time is past when we give one speech everywhere, in the same way. Now, we give many speeches—I hope, at the same time, in several kinds of ways—but we represent the same content, in the interests of the same aim.

And, if this is so, then there will certainly be differences in the details and sameness in the essence. And we must be able to understand this, and able to accept it.

So, there is no power struggle in the leadership, but there are political debates, passionate political debates, and differing conceptions about the future.

I will stop here for a moment because I would not like to deceive anyone. There are—naturally, as in every community—those who in human terms are not sympathetic to each other. That is, they do not sympathize with each other; they are not sympathetic to each other. This is a human matter. Politics is a corporate task, not a marriage where you must love each other. This is a community, a committed community, which devotes its life to one cause. So, in these communities, we do not have to love, but we do have to cooperate.

[Bankuti] The most committed, most active party workers working in factories must join in the life of the district party organizations, Karoly Grosz said in conclusion. He said it is a warning that in the debate on the draft law on associations, a total of 50,000 people took part. This is the fault of the district party organizations, and of the leadership too. The experience is the same in the debate initiated on the electoral law.

We must formulate the policy of the party, make it known, and explain it in the living areas, said Karoly Grosz, and then he posed the question: What is the task today of the individual communist? This is how he answered:

[Grosz] Before all else, to defend socialism, to make a stand in the interests of the politics so that it creates, acts, does, in the interests of the country. To reject, if need be to beat back, loudmouthed demagogy, the profiteers, those who want to make use of our temporary difficulties against the system.

That they should not permit all that which we have created over decades to be ruined; that they should not allow those interests which we have accumulated to be ruined.

The Hungarian Workers' Movement, organized into a party, is nearly 100 years old. We have just celebrated the 70th annivesary of the formation of the Communist Party. Earlier, in 1919, then in 1948, the two great parties of the Hungarian Workers' Movement united. We cannot forget the antecedent that already in 1944, in the days of the war, they jointly placed in perspective the postwar formation of a united and sole revolutionary socialist workers' party.

We believe that the MSZMP is the inheritor of the best traditions of both parties; we appreciate and preserve this; we forge it in a true unity and we want to increase it further.

This is, therefore one party, and not a coalition party—as one of the questions which I have here in my pocket formulates. But this is the MSZMP, a committed Marxist-Leninist party. We must preserve this party with common will, and improve its capacity for functioning. This is our honorable duty, and it is also our historical responsibility, for if this party collapses, then the country collapses too.

I believe that the Hungarian people will reach their development in the third millenium—for it is almost here—even despite every ill-willed calummny and fault-finding or temporary standstill; the Hungarian people will get there with the creative collaboration of the MSZMP.

New Premier Nemeth Interviewed on Election, Role

LD2511144888 Budapest MTI in English
1118 GMT 25 Nov 88

[Text] Budapest, November 22 (MTI)—"The recently stabilized international atmosphere has created favourable conditions for us to carry out the programme we have started. This is a rare, fortunate moment in history when both our allies, mainly the Soviet Union, and the other side, including the leading capitalist states of Western Europe and the U.S. Government, are taking an interest in the success of the Hungarian reform policy. For this reason, we face the immense responsibility of not curbing, by our own errors, those forces which can help us, "Hungary's new prime minister, Miklos Nemeth, says in an interview with Friday's [25 November] edition of the Hungarian newspaper "MAGYAR HIRLAP".

Mr Nemeth told the government daily that he had expected more abstentions and counter-votes in his election as new prime minister, and he took the result (36 abstentions and 27 votes against) as a sign of confidence.

In reply to a question, he said he had been advised by friends both at home and abroad not to accept the prime minister's post, because he would inevitably fail. "I'm not really bothered if the next two or three years 'destroy' me. I'm not setting to work as a prime minister necessarily facing a fiasco. I like to carry things through—in the hope of success," he explained.

In connection with his image as a technocrat, he said that expertise used to carry a positive meaning in the face of the unskilfulness of 'party bureaucrats'. Amid the present circumstances, sensitivity of social policy and political issues was slightly opposed to expertise. "I profess the importance of expertise," he said, adding that he also wanted to meet the former requirement.

In the interview, Mr Nemeth states that economy and society should not be viewed separately. "We need a reform programme that maintains, renews and strengthens political stability at home," he says.

"As safeguarding political stability is also a financial interest, we shall judge every move which jeopardizes political stability on its effects, and reactions will also be given accordingly," Mr Nemeth says. "We are seeking political dialogue and cooperation with all forces and organizations which wish to participate in accomplishing the tasks on the grounds of socialist constitutionality, or are looking for alternative ways and means of advancement. The outcome of political debates, however, is always to be assessed with practical gains.

"In this changing Europe we live in, we have to emerge as a country which promotes the overcoming of the dividedness of the continent without any local tensions," Mr Nemeth concludes in the interview with "MAGYAR HIRLAP".

Further on Election, Goals

AU3011104188 Budapest MAGYAR HIRLAP in Hungarian 25 Nov 88 pp 1, 2

[Interview with Miklos Nemeth, chairman of the Council of Ministers, by Dezso Pinter: "MAGYAR HIRLAP Interview With the New Premier—The Government Accepts the Political Struggle of Stabilization—Strengthening Dialogue and Mutual Understanding—Letter in the Drawer"—in parliament on 24 November]

[Text] Soon after his election, Miklos Nemeth gave an interview to MAGYAR HIRLAP in parliament on 24 November.

[Pinter] What does the proportion of deputy votes electing you premier mean to you?

[Nemeth] I expected more abstentions and more negative votes. I was happy to see the proportion of votes and the support: I consider these a sign of confidence. At the same time, I regard the negative votes and the abstentions as a sign that I will have to clearly and more widely profess the things I believe in, so that everyone, not just a narrow circle of people who know me, is aware of my qualities and faults.

[Pinter] What conclusions did you draw prior to your election: What do the people who nominated you expect of you?

[Nemeth] I think that, on the basis of my career so far, people judge me as a person prepared for economic reforms. Once, professional skill used to have a specifically positive meaning, as opposed to the lack of professional skills on the part of "party bureaucrats." Today, in connection with our political situation and our public requirements, responsiveness and sensitivity to social policy and political issues slightly oppose the professional skill. I profess the role of professional skill and, at the same, time, I want by all means to fulfill the requirements with my work, appearances, and actions.

Full Circle Reform

[Pinter] It transpires from the above that you are aware of the opinions and concerns about you, namely that a technocrat has been elected to the post of premier.

[Nemeth] Of course, I am aware of these opinions! However, I would like to say that, when I became secretary of the Central Committee and delivered my speech about the development program, I declared my belief that it is impossible to deal with the economy as something separate from society. I also expressed my conviction that, even if properly and scientifically prepared, the economic reform can only count on half success if it is not harmoniously adapted to the institutional, political, and social policy reforms. Therefore, I do not accept the view—which is one-sided in my view—that I have come to the fore exclusively because of my skill in economic matters. Besides, on the occasion of each of my public appearances following the declaration of the program of economic development, I expressed my concept that an economy and a society in renewal can be successful only on the basis of the social characteristics of the country in question. Therefore, when we speak of modernization and, starting from the requirement to catch up, we try to avoid lagging behind in Europe, we should also know on what social basis we can build this program. We must also be aware of our society's state of health, of the elements that disturb, or might disturb the implementation of this program, and of the country's educational level, because a developed economy is inconceivable without the reform of our educational system. If the place and role of the school is not affected by the reform and if the new requirements are not implemented here, we will not be able to conduct a successful economic and social policy.

[Pinter] Does this mean that these elements will receive greater emphasis in the government's work in the near future?

[Nemeth] The country is in a difficult situation. We are struggling with disturbances in our domestic financial balance and a high level of foreign debt that places a great burden on us. At the same time, we must make use of and regroup every financial means in order to create the basis of our reform program.

A Mechanism of Incentives

[Pinter] Will there be any changes in government policy?

[Nemeth] There have already been changes in a certain respect. The government is carrying out a shift from a distribution-centered policy toward an incentive-centered policy to help the program of stabilization and economic development. Essentially, this represents a break with a fiscal-type budget concept in order to develop a monetary-type state management.

At the same time, the government is determined to reorganize and improve the mechanism of incentives. The socialization [tarsadalmasitas] of the property structure on the basis of the conditions of the law on associations will lay the foundations for this. We want to encourage the creation of economic units whose viability is guaranteed by the coexistence and cooperation of various forms of property. Only on such soil can a wage reform develop which—giving up the role of wages in regulating purchasing power—wage policy will focus on expressing differences of performance and encouraging better performance.

We want to reduce the central wage regulation by making sure that, while comparison of the proper regulation of enterprise operations guarantees a balance between wages and performances, the expenditures on manpower represent a strict limitation. Thus, providing incentives for greater performance will basically become a task for the enterprises, and this requires the enterprises to work out a comprehensive system of incentives, from wages to advancement opportunities and measures aimed at developing the entire structure.

In other words, the government is determined to direct social and historical processes toward development. This requires both financial and political stabilization. For a long time, we will have to live with our large foreign debt: This means a sensitive balance, in which the debtor's situation is always judged from a political viewpoint. Maintaining political stability is also of financial interest. Therefore, we will evaluate every measure that threatens political stability on the basis of its effects, and will also formulate an answer on the basis of these far-reaching effects. We think that the time has not come for a selfish, prestige struggle. The government accepts the situation and the inevitable political struggle accompanying stabilization. We are striving for political dialogue and cooperation with every force and organization which, based on socialist constitutionalism, requests its share in the tasks ahead or is searching for alternative ways toward development and stabilization. However, we will always judge the results of political debates on the basis of practical results. All of us are aware that a development cannot be based on secret recipes prescribed by miracle doctors, but only on firm cooperation between the government and society. In a changing Europe, we must emerge as a country which will contribute to the efforts to overcome the division of our continent, and all this without giving rise to tensions.

Questions Instead of Answers

[Pinter] In the following, you will probably pose more questions, rather than give answers: What comes to mind for you when you hear that problems have accumulated to a great extent?

[Nemeth] I could go on for hours.... For example, will we be able to further intensify the international trends that are favorable for us, to ward off brutal provocations, and to avoid destroying our national prestige—destruction which would bring great joy to our enemies—with internal discord and selfish dissension? Will we be able to maintain Hungary as a secure stage on which to strengthen the rapprochment, dialogue, and mutual understanding between East and West, and increase this role? Will we be able to take a firm and clear-cut stand in

favor of the Soviet Union which took the road of restructuring, and to simultaneously develop our multilateral relations with the West which is advancing dynamically in developing technology and on an intensive path of economic growth? Will we be able to build a modern constitutional state which, by fully guaranteeing all human rights and creating a new socialist constitution, will guarantee a place for us among the vanguard nations of the world, or will our existence be burdened by the lack of institutional guarantees? Will we be able to develop a socialist market economy, to face competition that forces us to provide quality production, to create the legal, economic, and moral market conditions, or will we develop a horse-dealer's socialism of unscrupulous adventurers?

Or will we able to reorganize the present production structure that is inefficient and is consuming our national income, and accept and deal with the inevitable social tensions; or will we continue to give in to the threats of social demagogy and to the pressure of ideological taboos? Will we be able to accept ventures and apply creative and innovative energies, or will we continue to live in a state of self-exploitation and irrational diligence? Will we be able to assist the groups and fellow humans who are in a multiply disadvantaged situation, and to strengthen solidarity in our society? Will we be able to develop, by means of social self-organization various associations that will cooperate with the government on the basis of a responsible acceptance of social roles, for example, in operating the infrastructure, building hospitals, schools, and public roads, or will the level of infrastructural services continue to deteriorate? Will we be able to embark upon noble political competition within gradually and organically developing institutions which are part of socialist pluralism, or will we destroy everything that we have achieved so far by means of pressure for order that comes from above or by all kinds of revolt that lacks any sense of danger?

Structural Changes

[Pinter] The most natural right of every new premier is to choose the people with whom he wants to work in the government. At the international press conference, you mentioned that you would deal with this issue at the National Assembly session in December this year. In concrete terms, where can we expect changes?

[Nemeth] As is well known, following his election as premier, Karoly Grosz began to reorganize the government's decisionmaking mechanism and its structure. The first phase of this reorganization came to an end in December last year, and ever since then there has been continuous work on the program of the so-called second phase. We can now make well-founded proposals on merging those settlement development and territorial tasks that are presently spread among the sphere of authority of various ministries and main authorities. Thus, we are beginning to concentrate the existing functions in one place, without creating a new ministry. These functions will be concentrated in the Ministry of Interior and will be coming from the Planning Office, the Ministry of Construction and Urban Development, the Finance Ministry, and from several other institutions. With this, we would also like to signal that, even without modifying it, the traditional Ministry of Interior, or, if you like, the previous "police ministry" will increasingly become a ministry in charge of public administration. It is also necessary and logical to concentrate the tasks of infrastructure to one place within the government. Therefore, we will propose the organizational unification of the Ministry of Construction and Urban Development, Ministry of Transportation, Telecommunications, and the Post. This could make work more efficient. In December, we want to obtain authorization from parliament to reduce the number of ministries and to propose the integration of various institutions.

[Pinter] You are replacing an astute politician in the post of premier. What effects can this have on your activity?

[Nemeth] I greatly appreciate and sympathize with every astute and charismatic politician. Renewing political public life is inconceivable without these types of people. At the same time, I do not want to copy anyone. I want to be who I am and what the circumstances and conditions have made me be. I have always been, and will continue to be, guided by the things that serve the interests of the public.

For 2-3 Years?

[Pinter] What is your personal contact with Karoly Grosz?

[Nemeth] I consider our relations to be proper, and, during our talks, we always exchange opinions very sincerely, and this often leads to considerable arguments. However, I believe that both of us are characterized by a readiness to search for a rational compromise.

[Pinter] How will the transfer of the premier's tasks take place?

[Nemeth] We have not discussed this yet; this will be the task of the coming days.

[Pinter] I know of opinions according to which no matter who is the premier, the coming 2-3 years will finish him off. What is your opinion about this?

[Nemeth] Well, the new premier is already condemned to failure from the start.... My friends here and also many people from abroad advised me "not to accept" the job, or "perhaps in the second phase if they still want you...." I thought a lot about this. However, taking everything into consideration, I still drew the conclusion that, if they found me suitable during the nomination, it would be my duty to accept the job. I do not care about

the fact that I might possibly be "finished off" by the coming 2-3 years. I am not beginning work as premier condemned to failure right from the start. I like taking things consistently to their end, with the hope of success. I will not spare any time nor effort, as I have never done so.

[Pinter] What visits do you plan in the near future?

[Nemeth] Karoly Grosz has carried out a rather intensive economic and political diplomatic program in the last 1 and ½ years. I will have to travel to every country where we are invited and expected, and I would also like to meet with every partner who visits us. At the moment, I cannot yet concretely name any country or capital; in order to do this, I have to review the list of invitations and the possibilities of visits that serve our goals.

Favorable International Conditions

[Pinter] Obviously, among these goals is also the need to make use of the international interest in our reform efforts. In your opinion, what does this foreign interest and the perceptible support mean for us now?

[Nemeth] It means a lot, and not only in a financial sense, but also in a moral and political sense. The recently developed and more stable international atmosphere has created favorable conditions for the implementation of the program on which we have embarked. It is very rare that a favorable historical moment emerges in which it is in the interest of our allies—primarily the Soviet Union—and of the countries of the other side, including the leading Western capitalist countries and the U.S. Administration, to see a successful Hungarian reform policy. Therefore, we have a great responsibility in making sure that we do not hinder, with our own mistakes, the forces that can help us. With all our actions, we have to carry out a reform program that simultaneously maintains, renews, and strengthens our domestic policy stability. I repeat and stress that preserving our domestic policy stability is not only in the political interest of our country, but also in its economic and financial interest.

[Pinter] In conclusion, let me ask you a personal question. I had the opportunity to exchange a few words with you prior to the meeting. When you made up a file of official tasks, you slipped a personal letter into your pocket and said the following: "This letter should be with me, it should be with me by all means." Whose letter was it?

[Nemeth] This is my father's letter. Together with my mother, they live in my birthplace, the village of Monok. When I left home in the morning, my family bade me farewell with the following words: "Whatever happens to you, we are on your side." This sentence was ringing in my ears all morning. Prior to the vote in the parliament, I secretly made sure that the letter was still in my pocket. If you are really interested in it, I will quote a few lines from it: "Dear son, we hear a lot about the future from newspapers, radio, and from television. The rumors concerning you are also present among the local population. We should not be captivated by self-importance and pride. No matter what the outcome, for both you and us, the very fact that you have been nominated is proof that we have not lived in vain. I ask you to be honest and conscientious in all your decisions and actions. If you work and act this way, there can be no problems." This is a piece of advice from my simple peasant father. The letter will stay in the drawer of my desk.

Foreign Ministry Spokesman on Varkonyi Travels

LD2311142188 Budapest MTI in English
1212 GMT 23 Nov 88

[Text] Budapest, November 23 (MTI)—Hungarian Foreign Minister Peter Varkonyi is to pay official visits to Malaysia, the Philippines, and China from November 27 to December 10, meeting invitations from his partners, said Istvan Komoroczki, Foreign Ministry spokesman.

Answering questions, the spokesman discussed the latest developments in Hungarian-Romanian relations. He stressed that in spite of the act of provocation in Bucharest against the Hungarian commercial counsellor, Hungary is still making efforts to presereve the level of economic cooperation between the two countries. At the same time, Mr Komoroczki reconfirmed that a firm reply will soon be given by the Hungarian side to the affair, which is unparalleled in the relations between the member states of the Warsaw Treaty, and the reasons for which are still being analysed. He also said that the Hungarian diplomat expelled from Romania, Mr Karoly Gyorffy, is on his way home by car via Bulgaria and Yugoslavia. Mr Gyorffy is expected to return to Hungary on Thursday [24 November], and it is planned he will report on the events at a news conference the same day.

Upcoming Walesa-Miodowicz Meeting Viewed

Walesa Terms OPZZ Assembly 'Circus'

LD3011031188 Warsaw PAP in English
2235 GMT 27 Nov 88

[Text] Warsaw, Nov. 27—Asked today by those gathered at the courtyard of St. Brygida's Church in Gdansk about his meeting with Alfred Miodowicz, Lech Walesa charged the OPZZ chairman with the intention to falsify Poland's realities, betray worker's interests and termed the current OPZZ assembly as a circus, not representing anybody. He also charged Miodowicz of the will to distort their possible TV debate with technical tricks. Walesa also hinted that Miodowicz is lying and is afraid of an open exchange of opinions. He also said that during the possible TV debate, he will not discuss the role of trade unions in Poland but he will only take opportunity to present reasons for re-registering "Solidarnosc".

Walesa talked with about two thousand participants in a meeting in St. Brygida's churchyard after today's mass. In reply to one of the questions, he gave an answer in the style of the "Solidarnosc" meeting in Radom in 1981: "Time demands to hit the jaws", "this political system has no future".

The final phase of the meeting was attended by Chairman of the Italian Senate Giovanni Spadolini, in Poland for the conference of presidents of parliaments of Europe, the U.S. and Canada. Despite encouragement on the part of the gathering to take the floor, Spadolini did not take advantage of the invitation. During the meeting people were shouting: "freedom for Poland", "down with the commune", "communists on stakes", "Italy help us regain freedom."

In his sermon during today's mass at St. Brygida's Church, Father Henryk Jankowski said that socialism is a cluster of rottening doctrines which currently are an authentic political dead body. He called for steps to free Poland from the economic dependence on neighbouring countries.

PAP Corrects Report on Walesa Speech

LD3011031288 Warsaw PAP in English
2253 GMT 29 Nov 88

[Text] Warsaw, Nov. 29—As we reported on last November 27, some 2,000 people held a meeting after service at St Brigada's Church in Gdansk. In view of the slogans and views expressed during the gathering, which were by no means in the spirit of agreement or one's neighbour's love, it was a meeting of political character. The meeting was long engaged in criticising OPZZ Chairman Alfred Miodowicz who several weeks ago made a proposal to Lech Walesa to hold a joint live TV discussion.

Lech Walesa several times accused Alfred Miodowicz of cowardice and then started to deride the 7 million strong trade union movement. Referring to the scheduled TV discussion Lech Walesa said: "I will not talk to Miodowicz. I will talk to you, to Poland. Let Mr Miodowicz stand and wait..."

In connection with the meeting PAP corrects that the sentence about "hitting the jaws" was not uttered by Walesa literally. It was meant to mirror the atmosphere alone. PAP admits that in this case the inverted commas were used without reason. Disciplinary measures will be applied toward the author of the information.

Ciemny's 'Astonishment' With Walesa

LD2911192788 Warsaw Television Service in Polish
1830 GMT 29 Nov 88

[Text] [Announcer] OPZZ spokesman Franciszek Ciemny is in our studio:

[Ciemny] I came to say a few words on behalf of the OPZZ leadership. Alfred Miodowicz made a proposal in public to hold a television debate with Lech Walesa. He stretched out his hand. Three days before the planned debate, Lech Walesa, speaking at a rally in front of St Brygida's Church in Gdansk, publicly began to mock his future interlocutor, Alfred Miodowicz. This was not the first time, because he has demonstrated his contempt for the 7-million-strong trade union movement many times. This time he said, I quote: I shall not speak to Miodowicz. Let Mr Miodowicz stand.

I came here to express my suprise. In response to an honest offer of an honest conversation, Lech Walesa, practically on the eve of it, is expressing scorn, or even hostility, toward his partner. One would wish for Lech Walesa to distance himself from such an attitude toward a partner. Without this it is difficult to imagine a proper climate for this conversation. Lech Walesa describes himself as a supporter of pluralism. As we can see, his initial attempts at the politicking [politykowanie] of pluralism are not encouraging. They remind me of 1981, when he did not want to sit at the same table with representatives of trade unions, describing them with disdain as canary breeders. I therefore simply wish to express astonishment. That is all.

Miodowicz Discusses Walesa, OPZZ Assembly

AU2911140888 Warsaw TRYBUNA LUDU in Polish
25 Nov 88 p 2

[PAP report: "Alfred Miodowicz's Statement"]

[Text] In connection with the planned Miodowicz-Walesa television debate, OPZZ Chairman Alfred Miodowicz made a statement to a television newscast journalist and discussed the upcoming Third OPZZ Assembly, which will be held in Lodz on 26-27 November.

Asked about his meeting with L. Walesa, which has aroused the community's great interest, A. Miodowicz said that the meeting should be held. I am pleased, he said, that Mr Walesa has agreed to a television debate with me. I am ready for such a debate and I think that Mr Walesa is also ready.

Asked whether he had any additional conditions to make, A. Miodowicz said that his only concern is that the television people ensure that the debate takes place on the agreed-upon schedule. "Then you have no conditions to make," the television newscast journalist declared.

Speaking of the Third OPZZ Assembly, A. Miodowicz said that almost 1,500 delegates and about 300 invited guests will attend this trade union forum and that representatives of all important production enterprises in Poland will be present. He added: They will not attend merely to take their seats and watch. They will be there to make open, candid, and critical statements about the conditions of the working people and about their present and their immediate future. This event will also help me face the television debate.

Warsaw Police Use Truncheons on Youth 29 Nov

LD2911173188 Hamburg DPA in German
1653 GMT 29 Nov 88

[Text] Warsaw (DPA)—In the Polish capital of Warsaw, the police today again used truncheons against young members of the alternative scene. Well over 1,000 schoolchildren and students organized a "happening" in the center of the city to mark the anniversary of the referendum held last year on the economic reform. The young people distributed pretzels to passers-by, recalling the fact that at the referendum the population were promised better food supplies.

Probe Launched Into Alleged Beating by Militia

LD2611162088 Warsaw PAP in English
1418 GMT 26 Nov 88

[Text] Warsaw, Nov 26—In connection with a propaganda campaign launched by the Western radio stations broadcasting in Polish on the alleged beating by militia officers of a resident of Poznan (identified by his initials as M.D.) who took part in an illegal gathering on November 11, appropriate bodies are conducting proper explanatory procedings, a press spokesman for the head of the voivodship office of internal affairs in Poznan has announed.

The results of the procedings will be made available to the public.

PAN Presidium Criticizes Environmental Policy

LD3011114288 Warsaw Domestic Service in Polish
1900 GMT 29 Nov 88

[Text] The Presidium of the Polish Academy of Sciences [PAN] dealt with the issue of environmental protection. It assessed a study prepared by the Man and Environment Committee. The facts presented in the study are frightening. A complete collapse of the state of equilibrium in nature, according to the academy, has occured in 27 regions under ecological threat, which should rather be termed regions suffering ecological disaster. In all, these regions constitute 10 percent of Poland's territory, but no less than one-third of Poland's population lives in these regions. The multiple excess of the allowable concentrations of toxic substances in some areas means the danger of mutations in the human genetic material. The authors of the expert report provide a decisively negative assessment of the national environmental protection program, which is currently undergoing social consultation.

New Cabinet Not To Extend 'Special Powers'

LD2911230088 Warsaw PAP in English
2017 GMT 29 Nov 88

[Text] Warsaw, Nov. 29—The Polish Sejm has received a governmental report on the implementation of the special powers for the Council of Ministers between last August 12 and this November 29.

Under the law adopted last May, the special powers expire with the end of this year. According to prime minister's opinion uttered last October 14, the Council of Ministers does not envisage any possibilities to extend them any further.

Politburo Discusses Economic Consolidation Plan

LD2911225888 Warsaw PAP in English
2127 GMT 29 Nov 88

[Text] Warsaw, Nov. 29—The PUWP CC Political Bureau discussed here today the state of preparations of a draft plan of the consolidation of the economy in the years 1989-1990.

The draft includes a number of aptly formulated proposals. Some of them are already being introduced. For example, prepared are draft laws on undertaking economic activity and on activities with the participation of foreign capital. Changes aimed at radical stimulation of economic activity, strengthening of the market and its mechanisms received favourable evaluations.

It was stressed that difficulties of the Polish economy are first of all caused by the lack of equilibrium and poor market supply, high rate of inflation and the low value of the zloty. The plan of consolidation should focus on these problems and point to methods with which they may be solved.

Members of the bureau reviewed the opinion on government proposals presented by the PUWP CC Committee for Economic Policy, Economic Reform and Workers' Self-Management.

It was stated that the draft must include such lines of social and economic policy which should be clear and comprehensible for the society and reflect its expectations. It consists of a programme of economic activities which can be currently undertaken, supplemented by a list of concrete instruments of implementation.

Evaluations and conclusions of the PUWP CC committee for economic policy should be taken advantage of during further wording of the draft plan of consolidation of the economy, it was stressed. The Political Bureau agreed on the procedure of this work.

The Political Bureau acquainted itself with the decisions of the 3rd Assembly of the All-Poland Alliance of Trade Unions OPZZ. They reflect the most important problems of the working people, also those which are brought about by the increasing pace of transformations in the economy. It was stressed that assembly's decisions are concurrent with the party's programmatic aims and with resolutions, among others, of the 7th and 8th plenary meetings of the Central Committee.

Interior Ministry on Registering Associations

LD2411093488 Warsaw PAP in English
0030 GMT 24 Nov 88

["Statement by Spokesman for Ministry of Internal Affairs"—PAP headline]

[Text] Warsaw, Nov. 23—Basing on some cases and complaints filed with the ombudswoman, Professor Ewa Letowska addressed the minister of internal affairs and pointed to typical irregularities committed by administration bodies as to the procedure of registering associations.

The ombudswoman pointed out that socio-administrative departments of the basic and voivodship levels in an outrightly unsatisfactory way motivated factual grounds for the refusal of registration.

For example, while initially refusing the registration of the "Verbum Student Union", the socio-administrative department of the voivodship office in Gdansk motivated its decision by the fact that the work of that union would impede the realization of the basic functions of a higher school.

The press spokesman for the Ministry of Internal Affairs told PAP that while answering the comments and objections lodged by Professor Ewa Letowska, General Czeslaw Kiszczak assured that the instructions, which - apart from the close observance of law, are followed by the socio-administrative departments of the Ministry of Internal Affairs responsible for matters related to associations, are based on the same principle as presented by the ombudswoman in her letter.

The review and the analysis of the registration decisions issued over the past few months permit to conclude that they were usually taken in a way which does not raise objections. This can be proved by the fact that some 150 various associations have been registered this year while there are only 10 binding refusals.

These few refusals are each time subjects of detailed analysis at the Ministry of Internal Affairs. Under this procedure, socio-administrative departments of the ministry corrected several mistakes committed by local administration bodies in the course of registration. This was emphasised while presenting one of the cases quoted in the ombudswoman's letter. Most of the charges levelled against refusals were not confirmed by the explanatory proceedings.

As regards an association for the abolition of capital punishment, after a repeated examination, the negative decision has been upheld. The decisive factor about the decision was the fact that the composition of its founding members did not ensure the observance of law and order.

The people in question belong to illegal organizations such as "the Polish Socialist Party" and the "Freedom and Peace" movement and within these groups undertake illegal activities which many a time violated public order. In this way they particularly ostentatiously demonstrate disregard for the binding law which leads to a justified suspicion that they will try to act in the same way in future.

The "Verbum" student association in Gdansk was finally registered on Oct. 4 after its founding members made some indispensable ammendments to its draft statute.

In several other registration cases as to which there have been negative decisions, the Ministry of Internal Affairs continues talks with the founding members to eliminate legal obstacles justifying such decisions. This is a practical sign of the Ministry of Internal Affairs adopting the principle of not restricting public initiative in administrative terms and helping materialize citizens' right of association.

Having in view a particular character of the matter regulated by the law on associations, the Council of Ministers following the motion from the minister of internal affairs presented the draft amendments to the law for broad public consultation.

Jaruzelski Chairs National Defense Committee

LD2111232888 Warsaw PAP in English
2113 GMT 21 Nov 88

[Text] Warsaw, Nov. 21—The Presidium of the National Defence Committee KOK held a meeting Tuesday [day as received], chaired by General Wojciech Jaruzelski.

The meeting examined proposals forwarded by the national defence minister concerning the modification of organizational structures of the Armed Forces, their equipment and armament.

The problems in question were reviewed in the context of the process of confidence building in Europe, the national defence doctrine, the allied doctrine of the states-parties to the Warsaw Treaty, and the state of the ongoing disarmament negotiations and the socio-economic situation of the country.

Officials Discuss Functioning of Defense Industry

LD2111233188 Warsaw PAP in English
2107 GMT 21 Nov 88

[Text] Warsaw, Nov. 21—The functioning of the Polish defence industry have been for years surrounded by myths, some of which were uprooted at today's conference by the Defence Ministry press spokesman General Leslaw Wojtasik. Questions were also answered by Undersecretary of State at the Industry Ministry General Jerzy Modrzewski and representatives of the defence industry.

Despite many opinions, the Polish defence industry is not subsidized, the only preferences concerning supplies of materials for special production. Two-thirds of its production go for export. The revenues cover the import of equipment and weapons which are not produced in this country and the import of raw and intermediate materials necessary for production. Moreover, some means are paid to the state treasury.

This year's production of defence industry plants for civilian needs will total 900 billion zlotys, 189 billion of which account for market goods. In the years 1989-1990 the share of market production will systematically go up. If next year a general production increase for the national economy amounts to 109 billion zlotys, the worth of commodities will total 48 billion zlotys. In 1990, it will be 107 and 40 billion zlotys, respectively.

An exhibition "Defence industry for market and national economy" is under way in Warsaw.

Survey on Country's Problems, Trends, Prospects

AU2511185588 [Editorial Report] Sofia NARODNA ARMIYA in Bulgarian on 23 and 24 November on page 4 in each case publishes a 2,300-word 2-part survey by Ivan Keremidchiev, datelined Warsaw and Sofia and entitled: "Problems, Trends, and Prospects."

In the first installment Keremidchiev describes the range of food products and consumer goods available in the shops of Warsaw. He remarks on the scanty ranges of textile and other goods on display and notes the rationing of meat, the high prices of many food products, and the queues in the food shops. He then points out that the current annual inflation of over 100 percent "is heavily affecting the living standard of the workers, especially the weaker social strata, such as pensioners and unskilled workers." A second effect of inflation noted by Keremidchiev is the flourishing black market in dollars and foreign currency, where "the exchange rates for Western currencies are reaching very high levels—6-7 times the official rate, which in any case is far from low." Keremidchiev also notes that an estimated $2-3 billion lies in the hands of the population, where it is cannot be used for Poland's economic development.

Keremidchiev then briefly surveys Poland's slow economic growth since 1975, with an average annual rate of 0.9 percent, and points out that the growth rate has yet to return to the level of the mid-seventies. He also mentions Poland's crippling foreign debt burden. He concludes the first part with a brief reference to the political situation, which he says "is extremely complex and at a crucial stage,....strongly affecting the situation in the economic and social spheres," and led to the resignation of Messner's government last September.

In part two of his report, Keremidchiev briefly surveys Rakowski's new cabinet, highlighting the appointment of Mieczyslaw Wilczek as minister of industry. Keremidchiev notes that Wilczek, the only cabinet member with his own private Audi, is a major shareholder in a feed concentrate plant, and was reported to have said that he would sell his shares in order to supplement his salary, which, as Keremidchiev points out, is 3 times the average wage.

As to the tasks facing the new government, Keremidchiev refers to a statement by PZPR Politburo member Baka that there are three main problems: to guarantee investments; to reform the system of managing the economy to make it market-oriented; and, most important, "to speedily restore the trust and confidence of the Polish people." According to Baka, necessary specific measures "include changes in the distribution of the national income, the social consumption funds, and wages."

Keremidchiev reports that a start has been made on closing down unprofitable enterprises, adding that "the first failed enterprises include the Gdansk shipyard." He mentions that according to public opinion polls "many Poles consider that there should be a guaranteed minimum wage," and that the highest wages should not exceed the lowest by more than a factor of three. Keremidchiev sees in this a danger that wage leveling may be allowed to continue. He considers that Poland is "one of

the experimental laboratories for the new model of socialism," but says that the results of the economic experiments are difficult to forecast.

Turning to political reforms, Keremidchiev points out that "there is much to be done" and that "democratization must embrace not only the economic, but also the social, political, and institutional systems." He highlights the difficulty in making people, who are used to being centrally governed and "schooled to be passive," "realize that today, along with the greater freedoms, they must also take certain economic responsibilities and risks."

Keremidchiev looks forward to the forthcoming roundtable meeting, which he says will show whether "a compromise can be reached between the individual political centers and groups." "Indeed," Keremidchiev continues, "one can observe a certain drawing together of the positions of the official circles and the 'constructive opposition.' On the other hand 'Solidarity' and Lech Walesa are losing their popularity and influence. It should be noted that some of the 'Solidarity' sympathizers of 1980-81 have long since joined the ranks of those supporting national understanding and a rallying of all forces in order to overcome the crisis." Keremidchiev refers to studies made by the Governmental Public Opinion Survey Center that showed that 39-49 percent of the population "categorically disapprove of the acts of the opposition," while "only 16-26 percent support them, that is, half the number."

Keremidchiev concludes with the comment: "At the same time, it must be admitted that a certain portion of the Polish people is at present politically passive, being mainly concerned with their direct economic interests and the needs of the present day. Much still remains to be done to ensure that subjective errors are not regarded as inherent features of socialism."

Solidarity's Bujak Condemns Government, Rakowski

AU2811142688 Vienna PROFIL in German 28 Nov 88 pp 70-71

[Report by Vivianne Schnitzer and Jacek Kubiak: "The Hero as a Gardner; Visiting Zbigniew Bujak, the Former Underground Leader of Solidarity"]

[Text] The road to Lesna Podkowa is icy. The few drivers who—coming from Warsaw, which is 30 km away—going this direction, are cautiously groping through the dark. There are hardly any street lights in this rural area. It is almost a miracle that we find the house—hidden from view—where Zbigniew Bujak now lives.

The legendary Solidarity leader is at home. When Poland's rulers imposed martial law on 13 December 1981 and arrested all Solidarity's leaders, only Bujak, then 27, was able to escape, disguised as a railroad worker.

Until 1985, the trade union chairman of the Warsaw region was in hiding and wore wigs and false beards. Several times he escaped the police by a hair's breadth, and government spokesman Jerzy Urban appointed him an "enemy of the state": Two hundred thousand zloty (about 40,000 schillings at that time) were offered for his arrest. For many Poles, the tall, massive electrical engineer from the Ursus tractor factory became a popular hero resembling Robin Hood.

Now Bujak's boyish face has aged. He is wearing several pullovers—without caring about the different colors—against the damp cold in his house, which looks like a building site. Behind the friendly smile with which the now 34-year-old man receives the visitors, one feels the disappointment with which Zbigniew Bujak now lives. Poland's unyielding government and its cunning new premier, Mieczyslaw Rakowski, the soft tactic of Solidarity leader Lech Walesa, his own way of life at present—he has enough reasons to be disappointed.

However, Bujak, with his natural talent for politics, has not lost his analytical skills. "Rakowski's reforms are to create a new class of capitalists that is loyal to the party. In this class the members of the nomenklatura can also accomodate themselves," Bujak says after he has offered soda water to his visitors. "On the other hand, the closing down of the Lenin shipyard in Gdansk was a decision in the old style. In a country where there is no free market and no prices that correspond to reality, the decision of whether an enterprise is making a profit or incurring losses is arbitrary and cannot be checked."

Bujak considers the "liquidation" of the shipyard, as the new premier terms the measure, "a sort of revanche on Rakowski's part. He was there once to win the shipyard workers over to the government's plans during a discussion, but he failed completely." Bujak knows still another motive for revenge: "Rakowski does not like Walesa, and perhaps even hates him. I think that Rakowski cannot understand that a simple, even primitive, man—as he considers Walesa—could achieve so much and could captivate the public to such an extent that the entire world is interested in Walesa and not in Rakowski."

Basically, the appointment of the new premier is a success for the wing in the PZPR that opposes dialogue. This wing intends "to weaken and compromise Solidarity."

Bujak sees much deceit in the tactics of the rulers. They managed to resume talks with Walesa without fulfilling the demand to reemploy the workers who had been fired during the strike wave in August. Every time that representatives of Solidarity negotiate with the state power under the mediation of the church, the expectations of Poles increase. When, after such talks, the authorities regularly state that they do not see any chance of legalizing Solidarity again, this ultimately damages their prestige.

If the relegalization of the independent groups—from Peasants Solidarity to the free student organizations to the artists associations—fails to come about, "these social groups may call the role of Solidarity into question" (Bujak).

Lech Walesa's prestige has not yet been touched upon; however, he is already being criticized at the regional level. How does Bujak see him—Bujak, who was considered a serious competitor of the trade union chairman during the "legal" period of Solidarity? "I am not suited to be a Walesa. He is pursuing a political game and must keep several options open for himself. I am working among the people; I cannot sell them illusions."

If he were the Solidarity leader, he would have already withdrawn his agreement for the "roundtable talks." This repeatedly postponed meeting of government representatives and those opposition members that please the government is hardly of any use anymore—and the Poles know this. After the first meeting between Walesa and Poland's Interior Minister Kiszczak, Bujak held a discussion about the "roundtable" at the Ursus tractor factory, which was attended by 2,000 people. A second discussion 1 month later only drew 300 people, "and today no one would come anymore."

Bujak is permitted to enter the big tractor factory near Warsaw only as a participant in a discussion. After his time in the underground he has not found any work there anymore. There was no major enterprise that was willing to employ this dangerous trade union activist. Bujak tried to establish a private crafts enterprise that was to produce chess pieces, but he was caught up in bureaucracy. Now he has a one-man enterprise for "horticultural services"—he offers to do gardening in the surroundings.

Even though he is financially supported by Solidarity ("What I earn is not enough to live on"), Bujak proudly shows the advertising banner of his "company." The hands of "Zbyszek," as his friends call him, have become dark from working the soil.

In the old house, which he is now renovating himself (the heaters are to be finished by February), there are still heaps of drafts for Poland's future: "We think that economic reform without political reform is impossible. There must be free local elections, for instance, completely independent courts, and a strong representation of the opposition in parliament. Let us say: Forty percent of the seats should be elected democratically, even though the ruling party would still have the majority."

The current government would perhaps even "accept representatives of the opposition in parliament, but only if the distribution of seats is negotiated before the elections and the opposition is put on one ticket together with the government." (This is the model that can also be approximately deduced from the proposals made by Premier Rakowski in interviews last week prior to his visit to Vienna.)

As for the economic reorganization, Bujak and his friends of the "left" wing of Solidarity think of "various forms of privatization and forming societies": Some enterprises could be turned into stockholding companies and the employees could receive shares; other companies should be managed by the shop council as "group property." "More details are given in documents that we will publish soon."

The old enthusiasm is surfacing when Zbigniew Bujak explains these rather utopian plans. However, how could one come closer to their realization? The Solidarity activists have never considered the use of force—for moral reasons and also because they consider this method senseless. Thus, there only remains patience.

"We have to wait until Rakowski's government falls," Zbigniew Bujak says in his house, which he thinks is being constantly monitored. "The end of this government would be a defeat to those parts of the apparatus that do not want to accept Solidarity as a partner in the talks." Further breakdowns in the economy could mean Rakowski's end as premier—or another wave of protests. If the hoped for reforms fail to be implemented, they all would be ready for strikes again: "The workers and Solidarity could start new protests, as well as the students, or the young people in general. This is quite likely."

Press on PZPR, Trade Unions, Solidarity

AU0911123288 Warsaw POLITYKA in Polish 5 Nov 88 p 2

[From the "Press Review"]

[Excerpts] PRZEGLAD TYGODNIOWY on 30 October carries an interview with Marek Holdakowski, first secretary of the Gdansk PZPR Committee, by Krzysztof Grabowski and Ryszard Jaworski. Here is an excerpt from it:

[Reporters] Mildly speaking, the Gdansk PZPR is not unified and is not rallied as one man around the ideas promoted by the leadership.

[Holdakowski] That is really so and is also true of our people, of whom the PZPR is a part. This state of affairs is not a result of the events in the past few months. This state of affairs has developed in Gdansk under the impact of many processes. Please do not expect me to fully analyze those processes. But I can say that they have resulted in divisions. We have quite obvious extreme leftist and strongly orthodox attitudes, on the one hand, and opposing attitudes, ones that emerged during August 1980 and at the beginning of martial law, on the other hand. Between these two attitudes we have a broad

spectrum of people who trust neither of those attitudes, who have often many pretensions to everyone, and who continue to "wait." But Gdansk and its problems cannot wait. That is why the idea of the roundtable should be an important and attractive idea precisely for those people in between and for all groups that reason rationally and are against confrontation and sterile discussions about doctrines....

WPROST on 30 October carries an interview with Docent Dr Jerzy Kucinski, head of the Department of the Theory of the State and Socialist Democracy of the Social Science Academy, by Aleksandra Checka. Here is an excerpt from it:

[Kucinski] As for internal reasons, the party apparatus still continues not only to be appointed, but also to function in the old style. It is easy to see that those at the top often set examples. When I read that the Politburo had discussed preparations for inaugurating the new academic year or for winter recreation of children and youngsters, I get the impression that responsibilities have gotten mixed up. Party authorities are entitled to, say, evaluate the sociopolitical situation in universities, but preparations for a new academic year is the business of the minister of education, who is responsible to the premier, who in turn is responsible to the Sejm, in which the PZPR Deputies' Club may formulate any evaluations it likes.

Another weakness of the party apparatus is the ministries' obsolete party structure, which is responsible for doubling the functions of the executive apparatus, which is also excessively inflated. [passage omitted]

SLOWO PODLASKIE on 22 September carries an interview with Jan Guz, chairman of the Voivodship Trade Union Accord in Biala Podlaska, by "(les)." Here is an excerpt from it:

[Guz] Things are not too good in the general policy vis-a-vis our trade unions. Frankly, the issue is the roundtable, to which people who are no longer from this epoch and who, we think, are merely a shadow of the past have been invited. The reborn trade union movement affiliates over 7 million members, who are genuine representatives of the workers class and some of whom belonged to the former Solidarity trade union. Why then are no talks held with our trade unionists? Why are their views not listened to?

This not only pains us, but also makes it clear to us that the government is looking for easier partners. When we began to expertly and consistently tell the government what enormous errors it has committed, we became a drag on the government, and that is why we have been given that "lesson." But such lessons will not find their target. They will produce nothing except some flash in the pan of propaganda, except that they may still further increase the distrust of the workers class in the government, which is blindly searching for some spectacular successes instead of dealing with the genuine and effective management of the country. Reforms that are assisted by Walesa and are not backed by the masses of genuine trade unionists will never be implemented.

ZWIAZKOWIEC on 2 November carries an interview with Ryszard Kopecki, chairman of the Independent Self-Governing Trade Union of the Polar plant workers in Wroclaw, by Ryszard Naleszkiewicz. Here is an excerpt from it:

[Naleszkiewicz] Not so long ago the Polar workers council adopted a resolution that Polar workers should express in a referendum their confidence for your trade union. Do they want to destroy you?

[Kopecki] Yes, they do, because the workers council is an agency of the underground Solidarity trade union.

[Naleszkiewicz] How do you intend to fight?

[Kopecki] We have issued a statement to the effect that the workers council is not entitled to hold a referendum or to interfere in the affairs of an independent and self-governing organization such as our trade union. There will be no referendum. If the plant manager allows a referendum to be held, he will be guilty of breaking the law of the state enterprise.

[Naleszkiewicz] But if they break the manager?

[Kopecki] In that case let the political authorities come to grips with that.

Rakowski Interviewed on Economic, Foreign Policy

AU2311150488 Vienna DIE PRESSE in German 23 Nov 88 p 3

[Interview with Premier Mieczyslaw Rakowski by Burkhard Bischof; date and place not given]

[Text] DIE PRESSE: Mr Premier, you said in your government statement that you intend to eradicate the "legacy of Stalinism." You declared war on the heavy industry pressure group and instead put your stakes on agriculture, environmental protection, housing construction, and smaller industrial enterprises. You also want to attract foreign capital into the country. Is all this not a bit too much at one time?

Rakowski: No, it is not too much, because you can very well start several things at one time. As for the eradication of the remnants of Stalinism, this is a continuing process which does not require any special programs or any specific concentration. Nonetheless, we must not fail to see that such remnants exist—for instance, in the way in which people react to some occurrences. As for the other goals, the fact that agriculture is at the top of the list of priorities, ahead of housing construction and

environmental protection, indicates that the Polish economic policy has been refocused. As for foreign capital, this capital has been flowing into Poland for some time now. So we are not starting at zero.

DIE PRESSE: Will these new priorities be reflected in the new budget?

Rakowski: Definitely. There has already beem an effect on our current economic policy. For example, we have made a number of changes in agriculture, which are intended to motivate the peasants to expand livestock breeding. Other decisions are intended to demonopolize the purchase and sale of agricultural products.

DIE PRESSE: From which camp do you expect the toughest opposition to your reform policy?

Rakowski: From a camp that I would describe as the "camp of habits." I expect the toughest opposition to come from there; however, this opposition is surmountable. We must ask the question: What is stronger, the intention to carry out reforms, or the wish to keep on our own clothes? I think that the will for reforms is stronger in Polish society.

DIE PRESSE: There are critical voices in Warsaw, those who think that in implementing your reform program, the government might not take account of the "human factor." They speak about the change of jobs, the change of workplaces, and the search for jobs. Is such criticism justified?

Rakowski: A radical reform course in our economic policy has always been demanded in recent years. In this connection, nobody mentioned the "human factor." The critical voices that you are talking about are the result of true concern, on the one hand, and they must be considered. However, they are also the result of a certain sense of habit, or they have a political background. Anyway, I have appointed a specially authorized representative who will deal with these things, because the danger exists that the "human factor" could be harmed. We will try to organize the whole thing so that people who have worked in an enterprise for 30 years, for instance, do not have to make sacrifices.

DIE PRESSE: In the years of crisis in the early eighties, you were one of the fathers of a "partnership concept" in Polish society. Your statement that you want to be the premier for all Poles suggests that you have not given up this concept. Do you now see better opportunities for implementing it?

Rakowski: Irrespective of certain difficulties, the opportunities are better today. We all have come a long way since 1981, and everybody who is tied up in this partnership concept is now richer in experience. In addition, many elements of this partnership are already functioning. For example, if I compare the way power is exercised in Poland now with the way it was exercised 4 or 6 years ago, there are considerable differences. On major issues, the government now must seek consensus with all the forces of society that exist in the scope of partisan or partnership alliances. We must implement the partnership concept in the years to come; there is no alternative. The time of authoritarian government is past.

DIE PRESSE: Supposing economic reform in Poland is beginning to bite and is getting ahead of political reform projects—does the danger not exist in this case that a gap is created as in 1980-81, thus leading to social unrest?

Rakowski: It is correct that we must see to it that economic and political reforms run parallel and complement each other. That is no easy task. Objectively, it is much easier to carry out political reform than it is to carry out economic reform, because the latter always has to do with money. Viewing the matter philosophically, we can say that the Poles have gained experience in the field of political reform. While we are working toward economic reform, we are trying to achieve a balance. Maybe I am wrong, but for the moment I am under the impression that the economic development complements political dynamism. Take the rapid development of Poland's private sector, for instance.

DIE PRESSE: To discuss foreign policy—Prelate Tischner from Krakow said in an interview that during your visit to Moscow some weeks ago, you were given relatively broad leeway to carry out reforms. Is his assumption correct?

Rakowski: We did not discuss this theme in Moscow at all, because as for Gorbachev's or Ryzhkov's way of thinking, or as for Jaruzelski's or my way of thinking, there is practically no difference. So I would not have to ask Gorbachev whether I may carry out my reforms to this or that extent. We have leeway of action in our policy. However, it is clear that Gorbachev, too, is interested in Poland's reform course showing certain results.

There is today an interesting situation: restructuring in the Soviet Union is not lastly also strengthened by the implementation of reform in Poland [as published], and success in this respect also consolidates Gorbachev's position. Therefore, it is important for us not to do something stupid in domestic policy. This holds true for all political forces in Poland. Substantial opportunities are now emerging in this part of the world, which could be destroyed by political irresponsibility. Therefore, everybody must measure each step carefully and sensibly.

DIE PRESSE: Are you planning to refocus or redefine foreign policy priorities?

Rakowski: No, the previous priorities remain valid. Our main point of orientation remains the East, which should not prejudice the significance of our relations with the West. Our foreign policy activities have been quite

obvious during the past 2 years. There are Western countries that are very active toward us; there are less active ones, like France. Our relations with the United States are more dynamic now than they were 2 years ago. President-elect Bush is a pragmatic man with foreign policy experience. He also knows the situation in Poland. Therefore, we may expect relations between Washington and Warsaw to intensify further.

DIE PRESSE: What are your expectations for your visit to Vienna tomorrow [24 November]? Do you have any specific concerns that you want to discuss?

Rakowski: Yes, but I do not want to announce them prior to my talks in Vienna. I do not think that this will be a "banal visit" or a mere courtesy call. We are particularly interested in our relations with Austria, because since 1981, this country has shown much understanding for our situation. Our economic relations are active, even though there are still a few "fields" that could be tilled better.

Discusses New Government's Measures

AU2411115388 Vienna Television Service in German 2100 GMT 23 Nov 88

[Interview with Premier Mieczyslaw Rakowski by Paul Lendvai in Warsaw; date not given—recorded in German]

[Excerpt] [Passage omitted] [Lendvai] Now let us talk business. Your critics—there are quite a number of them inside and outside Poland—have claimed that your government did not have a good start. You wanted to include nonparty members, who have partial links with the opposition, in your government. All of them rejected your offer. The discussion about talks between the trade unions, Solidarity, Mr Walesa, and Interior Minister Kiszczak has not yielded results so far. You want to close down the Gdansk shipyard. You continue to be opposed to the legalization of Solidarity. Is this a negative balance sheet, or is this assessment too one-sided?

[Rakowski] You have asked so many questions. I do not think that I had a bad start. You must not forget that I was the first premier in Poland who offered four government posts to the opposition. Even if this proposal was rejected, it was a step on the path toward democratizing our system. Therefore, as I see it, one cannot speak of a false start. By the way, I think that it was not me who was the loser but rather those who rejected the offer. However, I am still waiting, maybe not for the same gentlemen, but for those who are ready to form a constructive opposition.

[Lendvai] Does that mean that the four positions are still vacant?

[Rakowski] Yes, the positions are still vacant. Let me now answer your second question concerning roundtable talks. I think that roundtable talks could be useful. We need roundtable talks because they should serve as a means of arriving at a national consensus and achieving reconciliation. However, if one adopts a realistic attitude toward the roundtable talks, one must admit that it is not so easy to get the representatives of various groups to sit down at one table, particularly if one takes into account what has happened in the past. I have often heard the view—it was also mentioned by the Western press quite often during the past 2 or 3 weeks—that Rakowski is opposed to roundtable talks. First of all, this is a very naive assessment, because I belong to the small group in our party that determines the guidelines. It does not seem plausible that Interior Minister Kiszczak, who prepares and conducts these talks, is in favor of roundtable talks and that I am against them. Second, I have also decided not to wait for the results of the roundtable talks but rather to pursue a policy on the sidelines of the roundtable talks. Through this policy, I want to create new facts that should demonstrate that the economy and the political atmosphere can be improved without the opposition. Should I, as head of the government, sit around and wait until roundtable talks get underway? This would be a sign of political naivete, and after 50 days in office I would not like to sit around and wait. The public could ask: What does this mean? Rakowski is not doing anything. As the head of government, I must be very active.

Let me now answer your question about the Gdansk shipyard. A lot has been written about this issue throughout the whole world. I do not think that so much has been written about any other enterprise.

[Lendvai] However, it is also a symbol of something, a symbol of Solidarity.

[Rakowski] Let me stress that we have symbols wherever you go in Poland. There are also factories everywhere that need subsidies. This is also a symbol. The question arises as to what kind of symbol they are. For this reason, we took the first step in this direction. We have documents to prove that a concept for the liquidation of the Gdansk shipyard already existed in June of this year.

[Lendvai] You have been confronted with the reproach that the directors and trade unions were not informed about this, that the plan to close down the shipyard came as a surprise attack.

[Rakowski] This is not true. The future of the Gdansk shipyard was discussed in July and August with all those who worked in the shipyard, including managers, the workers council, etc. It is not true that decisions were made against the wishes of the workers or that nobody listened to management.

[Lendvai] However, it was also a political signal, a challenge.

[Rakowski] As a matter of fact, everything is political. You say that this is a symbol. That is correct. However, it is understandable if you look at the history of our people in the postwar period. The Gdansk shipyard played a very important role in August and September 1980. This is a fact, and it has nothing to do with the current situation.

[Lendvai] Let us abandon the symbols and talk about political reality. Is the legalization of Solidarity conceivable for you or do you rule out such a step for the future?

[Rakowski] I answered this question several times recently. I consider legalization to be impossible at the present stage. I—not only I but also Miodowicz [OPZZ chairman] and many trade unionists—have a different view on trade union pluralism. I think that in today's economic situation we must have political pluralism. As far as trade union pluralism, as it is understood by Walesa and his collegues, is concerned, this is impossible.

[Lendvai] One question: What does political pluralism mean? Does it mean that these two parties that you have in parliament—the Democratic Party and the Peasants Party—will develop from satellites into independent forces?

[Rakowski] They are no longer satellites. Those times have long been over—thank God, by the way. No, it means that we already have a draft law on corporations, associations, as we call them, and political clubs. Regardless of the fact that we have an outdated law, which dates back to the prewar period, such clubs have already been formed over the past 2 or 3 months.

[Lendvai] Will they be permitted to put forward candidates for the next elections, which take place next year, I think?

[Rakowski] Of course. I do not know whether you know that we—I mean not only the party but all those who are working in politics—are proposing a new concept for the balance of power in parliament. There must also be room for representatives of various....

[Lendvai, interrupting] ...But room that is actually determined by the party.

[Rakowski] No, not by the party. Today in Poland the party itself cannot give orders. Please, do not forget this. The times when the party was able to decide everything are over. It is also well known that we already have the process of democratization, which has already created a new political and social situation.

[Lendvai] Is it conceivable that you will have a minority in parliament?

[Rakowski] I do not think so, because we want to form the majority together with the Peasants Party and the Democratic Party. At present, my party has the majority in parliament—52 percent.

[Lendvai] Fifty-two?

[Rakowski] Yes, 52. This will change. However, I would like to go back to your question about the Gdansk shipyard, because I have read in many commentaries that this is a new political step and that the people oppose it. I have the latest polls, and I would like to read to you the results of one question, which, in my view, is very interesting. The question was: How do you assess the decision about the liquidation of the Gdansk shipyard? A total of 57.6 percent answered that this decision was correct.

This is very important for me, because it means that the majority of the people—and these are polls that are carried out all over the world—are in favor of such steps in the field of the economy, which may be hard but which are, at the same time, realistic. This means that we have not done badly. Why? It has been repeatedly stated that the economy in Poland should be rationalized more intensively, that one has to act with great courage, so to speak, with regard to the outdated structures. This debate has been going on for years.

[Lendvai] This means that you intend to close down additional factories or enterprises that show a deficit?

[Rakowski] Exactly. We must do this.

[Lendvai] One question: You will soon go to Austria. I think Poland's debts to Austria amount to about 30 to 35 billion schillings. In March an agreement was initialed, but it has not yet been signed. Austria wonders whether these loans will ever be paid back. What do you see happening in the future?

[Rakowski] Well, we really want to pay back these loans. At present we are only paying back the interest on them. However, I would like to mention one fact: Over the past 8 years we have paid more than $12 billion in interest. This is very much. Now to our Austrian partners: There is no doubt that we want to pay the loans back, but we are in such a situation that we are not able to stimulate the economy without new loans, because this is the only way to increase exports and to thus obtain more hard currency to pay back not only the interest but also the loans.

It is a rather complicated and very difficult situation for us; there is no doubt about that.

[Lendvai] This means that you now want more loans?

[Rakowski] Yes, we want more loans. However, in my view, the main problem is that the Western countries are always waiting in this respect. I understand that they do

not want to grant big loans after all their experiences. On the other hand, however, I expect that our partners in the West, who think realistically, will be more open and generous in this respect, because they have to believe us that we are not interested in doing anything to delay repaying these loans until the next century.

[Lendvai] Thus, you are optimistic that you will receive money?

[Rakowski] No, I am not a great optimist. Today there was a session of the Council of Ministers in which I said that, above all, we have to count on our own resources and reserves.

Rakowski Notes Continuing Economic Problems

LD2411025188 Warsaw PAP in English
2239 GMT 23 Nov 88

[Text] Warsaw, Nov. 23—There are still many obstacles and barriers on the way to Poland's unimpeded development. Nevertheless, we can already state by now that the society has won a solid place on the political and socio-economic map of Poland as regards removing these difficulties, overcoming public apathy, and promoting initiative and enterprise, said prime minister and at the same time president of the Society for Backing Economic Initiatives (TWIG), Mieczyslaw F. Rakowski, at the 4th plenary session of TWIG's main board here today.

"I am strongly concerned about upholding these activities," the premier said, "because the economic situation of the country is still not too good. Inflation poses the greatest danger which is followed by stripping the market of numerous consumer goods. The government is doing its best to curb inflation and stop its growing higher."

Rakowski said that many remarks and postulates of the TWIG activists had been utilized while drafting the laws on economic activities and on joint ventures with foreign capital which will be forwarded to the Sejm (parliament) in the nearest future. Owing to that, both drafts have been considerably radicalized in comparison with their earlier versions and should provide a real boost to the economy. The premier announced that the radical character of activities would be continued.

The premier consented to hold the post of president of the TWIG organization which already affiliates 24 voivodship branches and two more chapters will be established by the end of this month. A draft of founding TWIG's bank of economic initiatives which is going to join the commercial banks network has already been prepared. Also, a bank of economic information will be created and an institute of entrepreneurship which will train personnel.

TWIG has also joined the stream of legislative activities. The organization is preparing a stand on the draft amendments to the bill on banking law and the National Bank of Poland (NBP), as well as on economic arbitrage. A meeting of people with initiative from across the whole country will be organized shortly in Lublin. Also, preparations are under way to found TWIG's own periodical.

TWIG's main board came out in favour of elitist character of their organization. Yet, it should be a particular sort of elitism. The point is to attract the best and leading people and enterprises that are venturesome and have initiative, that can create a growing public pressure for the sake [of] faster economic reforms.

Rakowski Continues Visit to Austria

Addresses Foreign Policy Society

AU2811120988 Warsaw TRYBUNA LUDU in Polish
26-27 Nov 88 p 4

[Address by Premier Mieczyslaw Rakowski on 25 November to the Foreign Policy Society in Vienna: "'Poland in Changing Europe'—Lecture to the Foreign Policy Society"]

[Text] I accepted an invitation to deliver a lecture with great satisfaction. I deemed it purposeful to place Polish problems in the midst of a changing Europe, for I believe that they cannot be considered in isolation from what has been going on on our continent for the last several years.

And a lot has been taking place, mainly owing to the Soviet leader, Mikhail Gorbachev. Perestroyka entails rapid changes not only in the Soviet Union but also in the whole of Europe.

It is clear that Poland, lying between the East and West, will not remain indifferent both to perestroyka and its effects as well as to the originating new look of the West on the Soviet Union. I do not assign any particular role to Poland; I am far from deluding myself and my compatriots into believing in any particular mission, what some are doing with great passion. At the same time I am aware of Poland's responsible role in a Europe seized by transformations.

If the historically unavoidable process of the democratization of the socialist socioeconomic system was to proceed with impulsive elements such as ambition prevailing over political wisdom, and intentions prevailing over capacities and possibilities, then Poland would become a factor destabilizing Europe's development toward a new political order in which military, economic, and political blocs and the way of thinking which developed on the grounds of ideological and class struggle should move to the background.

Making an analysis and evaluation of the present stage of reforming social and political life in Poland, one should not forget that at the beginning of the impetus and changes lay a great flurry of workers strikes which bound

Poland in the late summer of 1980. The society did not want to accept any longer that model of real socialism which had lasted for more than 3 decades in a nearly unchanged form. All the Polish reforms initiated in 1981 and in the following years have had the mass protests of workers as their source.

The development of the internal situation in 1981 did not favor the implementation of the reformist intentions of those times. The internal situation in the autumn of 1981 began to slip out of any control, and Poland sat on the edge of national catastrophe.

In that situation we decided that the imposition of martial law had unfortunately become an unavoidable necessity. The martial law and the results that it brought about in public moods could not favor the emergence of favorable conditions for the implementation of both the economic reform and other reforms. In spite of that, however, the government of General Jaruzelski announced on 1 January 1982 the start of the implementation of the economic reform whose overall concept had been worked out by the commission for economic reform. This commission was established in September 1980. May I draw attention to this date? It was even before "Solidarnosc" had emerged.

I think that the critics of our policy in 1981 and the following years should not forget that at that time not even the cleverest visionaries expected that perestroyka might materialize in the USSR. It was only when M. Gorbachev became CPSU general secretary that the reforms of the Polish economic and political system began to enjoy the full understanding of those Soviet friends of ours who regard perestroyka as the embarkation upon the road to the basic reconstruction of socialism as it now is, and not as a sum total of various cosmetic treatments. Today we can say that we, as well as Gorbachev and his advocates, are following the same line.

I also want to remind you that the development of the situation in Poland in 1981 caused a growing anxiety among the majority of the Warsaw Treaty member states, and their at least cold attitude toward the reforms that we tried to implement.

Poland is no island, and the people who feel themselves responsible for Poland's fate must not neglect the immediate surroundings, unless they have in mind barricades, new cemeteries, and new heroes, who usually become heroes after they are dead.

Conditions particularly unfavorable for reforming the system, and especially the economy, emerged in 1982 and the following years as a result of restrictions imposed by the United States and most of its allies after 13 December 1981. We were punished for a sovereign decision which had halted Poland's march toward a national catastrophe. We assess the losses caused to Poland's economy by the imposed restrictions as totalling $15 billion. And it should also be added that in those very difficult years for the Polish economy we paid about $12 billion in interest on previous loans.

Referring to the restrictions then imposed against Poland, I want to mention Austria with special appreciation. Its government at that time and subsequent ones reserved for themselves the right to assess our policy in a critical manner, which is what anybody is entitled to, but they did not join those who dressed up in gowns of severe judges. I have recalled some elements of my country's situation at the beginning of the eighties, because I think that otherwise it is impossible to understand the difficult and extremely complicated process of reforming our socioeconomic system.

The strategic goal of reformatory forces in Poland does not consist in correcting socialism nor in a "cosmetic overhaul," but rather in a qualitative change of the social formation which really exists. The point is a substantial restructuring of the system and a full departure from the economic and social model formed under the overpowering influence of Stalin. At stake is the creation of such a model which would guarantee the unobstructed development of production forces and which will make it possible to fully use the skills, initiative, and resourcefulness of individuals.

The economic reform is in the stage of realization, and no one is able to stop it. This is an undoubted fact but its realization does not proceed without resistance and disturbances. It is obvious that the reform is in the focus of the struggle between the new and the old, between conservatism and progress.

Its key significance in the process of reforming socialism is obvious, and without it the elimination of outdated social and political structures, and their substitution with new ones, would be impossible. On the other hand, progress in reforming the economy requires the democratization of sociopolitical relations. Therefore, we have to do with phenomena of a mutually complementary character.

Crucial and very important changes have occurred in the relations between the state and the Catholic Church. Aside from a large group of extremist priests, the political struggle between the state and the church, which was such a firm feature in previous decades, continues to disappear. Today, both the state and the church are displaying greater orientation toward searching for planes of cooperation rather than toward creating conflict situations, the face-saving solutions which both sides often find difficult to contrive.

Meets Former Chancellor Kreisky

LD2611194588 Warsaw PAP in English
1821 GMT 26 Nov 88

[By PAP correspondents Andrzej Rayzacher and Juliusz Solecki]

[Text] Vienna, Nov. 26—Today, Poland's Prime Minister Mieczyslaw F. Rakowski paid a visit to the former Austrian chancellor, Bruno Kreisky.

At noon, Mieczyslaw F. Rakowski went to the Polish Embassy where he received Chairman of the Communist Party of Austria Franz Muhri. The Polish premier briefed him on the reformatory plans of the Polish leadership. Franz Muhri presented to the Polish prime minister his appraisal of the political and social situation in Austria and the activity of his party.

Also today, the Polish premier and his wife had another meeting—an unofficial one not included in the formal programme of the visit—with the federal chancellor. Franz Vranitzky and his wife arrived at the Polish Embassy here to take Mieczyslaw F. Rakowski and his wife for a luncheon. This was considered another friendly gesture towards Polish guests from the Austrian hosts.

In the afternoon, Poland's Premier Mieczyslaw F. Rakowski wound up his three-day official visit to Austria paid at the invitation from Chancellor Vranitzky.

Departs, Reflects on Visit

LD2711021588 Warsaw Television Service in Polish
1830 GMT 26 Nov 88

[Interview with Premier Mieczyslaw Rakowski on board his plane after his departure from Austria, by unidentified correspondent—recorded]

[Text] [Correspondent] Mr Premier, this is today's WIENER ZEITUNG, which quotes your opinion at yesterday's news conference: I am not running around Europe with an outstretched hand. When asked if you gained any credits in Austria, you replied: Yes, the greatest credit: trust. That is really something quite unusual. For the first time in many years the Polish premier has gone to a Western country not for credits but with specific proposals for cooperation.

[Rakowski] Yes, because I think that healthy economic relations—or the strengthening of our economy, the invigoration of our economy—require the participation of foreign firms, firms which are interested in cooperation with Polish enterprises. That is why I also considered it appropriate to say what I said, that I did not expect great credits because quite simply the world financial situation is different today than it was in the seventies. Apart from that, we really have serious debts; we have problems with the repayment of debts, for we are only paying the interest. I assumed that when I turned up in a country like Austria, a very friendly country, I could not simply say that I came in order to perhaps squeeze something out of you. I think, however, that saying we have enormous needs in the area of direct cooperation between work enterprises, in investments, is sensible and was well received.

Apart from that, I represent the kind of view that everything should be collected, that even some kinds of small-scale participation in joint ventures, in other words in joint enterprises, with the participation of foreign capital and our capital, that when all this is collected together then a large amount, I would say, of money is also created. We also offer such ideas which discuss the important participation of a given country in our economy. Quite simply, I think the era of those great credits has passed after all, and that there really are great possibilities for developing such interenterprise contacts. These are not contacts of the type in which someone comes and says: Good day, we will see how things look in Poland. Rather, they simply come and it finishes up with specific agreements.

[Correspondent] I read a remark by Chancellor Vranitzky that they could not interfere too much in the economic market conditions, in the economy, but that they could create conditions for cooperation between enterprises. You said at the Union Chamber of Commerce in Vienna what conditions would be created by the Polish Government, the law on foreign capital, etc. Please tell us what conditions are being created by the Austrian Government.

[Rakowski] I do not think the Austrian Government has to pass any law on enterprises, because it is a capitalist system where other economic laws are in force. I would also say there is a different practice. The observation of [Austrian] Chancellor Vranitzky is correct, that governments cannot do very much in those conditions but that they can still do quite a bit. That is, they can encourage businessmen; they can apply various kinds of alleviations, they can create or announce the needs for the development of cooperation of their country's enterprises with those of another state. You know politics is present everywhere; it is still present in the economy and always will be. Thus, an awful lot depends on the attitude of, for example, Chancellor Vranitzky's government toward our proposals on direct cooperation between enterprises. He also understands that.

Returns Home 26 Nov

LD2611224880 Warsaw PAP in English
2018 GMT 26 Nov 88

[Text] Warsaw, Nov. 26—Polish Premier Mieczyslaw F. Rakowski who returned home from his three-day visit to Austria held a talk at the Warsaw airport with Rita Suessmuth, president of the FRG's Bundestag. Suessmuth, who was taking part in the conference of presidents of parliaments of Europe, the U.S. and Canada here, set off for her way back to the FRG.

Rakowski and Suessmuth exchanged opinions on the current state of relations between Poland and the FRG and prospects in this field. Poland's Foreign Minister Tadeusz Olechowski was taking part in the talk.

CSSR's 'Customs War' Against Poles Protested

LD2311044888 Belgrade TANJUG in English 0425 GMT 23 Nov 88

["Polish-Czechoslovak Customs War"—TANJUG headline]

[Text] Warsaw, November 23 (TANJUG)—Poland has protested at the maltreatment of its nationals when leaving Czechoslovakia. Its southern neighbour has been waging a customs war on Poles, it was assessed here. Therefore, the Czechoslovak consul to Warsaw was invited to come to the Foreign Ministry and told that incomprehensible is his country's custom officers' treatment of Poles.

Misunderstandings started in mid-November when the Czechoslovak authorities tightened their regulations. From then on Warsaw-bound trains from Czechoslovakia have been late for hours. The Warsaw TV has been screening snapshots of big quantities of goods taken by Czechoslovak customs officers from Polish passengers on overcrowded trains. Despite everything, the television tries to justify Polish "tourists" and the Warsaw press writes that Czechoslovaks, while in Poland, do like things (make business).

As of last July 1, the Polish Government has lifted duties by this year's end of private imports. Practically, Poles are now free to import all sorts of things in unlimited quantities and without any duties when travelling as tourists. In this way, being helped is the impoverished domestic market. Neighbouring socialist countries, the German Democratic Republic and Czechoslovakia (and Hungary and Bulgaria before), have started struggling against smuggling and defend their keeping their nationals supplied from too strong appetite of guests from Poland.

The customs war with Poland's eastern neighbour, the Soviet Union, has not yet so drastically broken into open, but Soviet representatives to Warsaw informally state that their country, too, has problems with its Polish guests.

Environmental Cooperation With CSSR Discussed

LD2211043688 Prague Domestic Service in Czech 2030 GMT 21 Nov 88

[Text] Poland: Bilateral cooperation in the protection of the environment was discussed in Warsaw today by Jozef Koziol, Polish minister of environmental protection and natural resources; and Josef Havlin, Czechoslovak ambassador to Poland. The two representatives also discussed the payment of damages which Poland demands from Czechoslovakia for the pollution of the Odra River in 1986 and the progress of work on drafting a three-sided international governmental agreement on cooperation in the protection of the environment, in which the GDR is also taking part.

Leaders' Public Appearances for 26 Oct-2 Nov

AU0411172288 [Editorial Report] The Polish press during the 26 October-2 November period reports the following appearances of Polish leaders (sourceline of each report given in parentheses):

A reception given by the Austrian ambassador at the Forum Hotel in Warsaw on 26 October was attended by Tadeusz Olechowski and Mieczyslaw Rakowski. (Warsaw TRYBUNA LUDU in Polish 27 Oct 88 p 6)

Wojciech Jaruzelski, PZPR Central Committee first secretary and chairman of the PPR State Council, received Isabel Allende Karam, the new Cuban ambassador to Poland, and Jean-Christophe Oberg, the Swedish ambassador to Poland, on 27 October. (Warsaw TRYBUNA LUDU in Polish 28 Oct 88 p 2) On the same day, he received representatives of the Polish Union of Beekeepers. (Warsaw TRYBUNA LUDU in Polish 28 Oct 88 p 2) On 29 October, he received Ryszard Karski, PPR ambassador to the FRG. (Warsaw TRYBUNA LUDU in Polish 2 Nov 88 p 2)

Mieczyslaw F. Rakowski, PZPR Politburo member and Central Committee secretary and chairman of the PPR Council of Ministers, received Jan Stefanowicz, the PPR ambassador to France, on 26 October. (Warsaw TRYBUNA LUDU in Polish 27 Oct 88 p 2). On the same day he also received Roman Paszkowski, chairman of the Council for Conservation of Monuments of Struggle and Martyrdom. (Warsaw TRYBUNA LUDU in Polish 27 Oct 88 p 6) On 28 October, he received Ryszard Karski, PPR ambassador to the FRG. (Warsaw TRYBUNA LUDU in Polish 29 Oct-1 Nov 88 p 2)

Wladyslaw Baka, PZPR Politburo member and Central Committee secretary, met members of the board of directors of the "Management and Banking" publishing company on 26 October. (Warsaw TRYBUNA LUDU in Polish 27 Oct 88 p 6)

Jozef Czyrek, PZPR Politburo member and Central Committee secretary, has received Czimedijn Sereeter, the new Mongolian ambassador to Poland. (Warsaw TRYBUNA LUDU in Polish 26 Oct 88 p 5)

Jan Glowczyk, PZPR Politburo member and Central Committee secretary, attended a PZPR voivodship level conference at the Zyrardow textile mill in Skierniewice Voivodship, on 26 October. (Warsaw TRYBUNA LUDU in Polish 27 Oct 88 p 6) (AU0311142688). He also attended a reception at the Soviet Embassy in Warsaw to mark the 70th anniversary of the Komsomol movement. (Warsaw TRYBUNA LUDU in Polish 28 Oct 88 p 2)

Marian Orzechowski, PZPR Politburo member and Central Committee secretary, received Isabel Allende Karam, the new Cuban ambassador to Poland, and Jozef Havlin, the new CSSR ambassador to Poland, on 27 October. (Warsaw TRYBUNA LUDU in Polish 28 Oct 88 p 2) On the same day, he attended a PZPR workplace organization plenary session at the Academy of Sciences in Warsaw. (Warsaw TRYBUNA LUDU in Polish 28 Oct p 2) On 28 October, he visited TRYBUNA LUDU's offices tc meet party journalists. (Warsaw TRYBUNA LUDU in Polish 29 Oct - 1 Nov 88 p 2)

Zbigniew Michalek, PZPR Politburo candidate member and Central Committee secretary, attended a plenum of the PZPR Voivodship Committee in Nowy Sacz. (Warsaw TRYBUNA LUDU in Polish 28 Oct 88 p 2)

Andrzej Wasilewski, PZPR Central Committee secretary, attended the funeral of actor Jan Swiderski in Poznan on 25 October. (Warsaw TRYBUNA LUDU in Polish 26 Oct 88 p 5). On 26 October, he received Isabel Allende Karam, the new Cuban ambassador to Poland. (Warsaw TRYBUNA LUDU in Polish 27 Oct 88 p 6)

Tadeusz Olechowski, PPR minister of foreign affairs, received Mohamed Fourati, the new Turkish ambassador to Poland, on 26 October. (Warsaw TRYBUNA LUDU in Polish 27 Oct 88 p 6)

Ceausescu Addresses Communist Party Plenum

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[Speech by RCP Secretary General Nicolae Ceausescu at opening of joint plenary meeting of the RCP Central Committee and "other bodies of workers revolutionary democracy" in Bucharest on 28 November—live]

[Text] Esteemed comrades: The joint meeting of the RCP Central Committee, of the workers revolutionary bodies, and of mass organizations is discussing the problems of the current stage of the Romanian socialist society and the prospects for its future development by starting from the need for a scientific dialectical materialist analysis of the great revolutionary changes that have taken place up to now. It is to establish the new strategic targets of the political-organizational activity to unflinchingly implement the decisions of the 13th RCP Congress and National Conference, and of the party program for building the comprehensively developed socialist society and creating the necessary conditions for proceeding to the construction of communism in our homeland. [cheers, chants]

For 7 months the party and all our society have been discussing—on the basis of the April theses of the Political Executive Committee—the basic problems of all party and state activities and of socialist construction in our country. All party bodies and organizations, all party members, mass and civic bodies and organizations, workers revolutionary democracy bodies—workers, intellectuals, and peasants—all social categories, and all our people have participated in the discussions. The discussions themselves took place in a spirit of great responsibility and on the basis of criticism and self-criticism of activities in all areas, thus constituting an expression of the profound nature of party democracy and of workers revolutionary democracy. [applause]

It must be strongly emphasized that our entire domestic and foreign policy represents the will of our people, who are the supreme force of workers revolutionary democracy in our country and are freely and consciously building their own destiny of well-being and happiness, their socialist and communist destiny. [cheers, chants]

It must be stressed that the discussions and all activities in this period have focused on the fulfillment of the current 5-year plan, the strategic goals of our country's transition to a new stage of development, the implementation of the programs of organizing and modernizing all sectors on the basis of the most modern achievements of science and technology, and the implementation of the targets of the new agrarian revolution and of the programs for economic-financial norm setting, for firmly basing all activities on the principle of self-management, self-administration, and self-financing, and for unflinchingly applying the socialist principles of management in all areas.

On the basis of discussions held up to now, the Central Committee plenum and the other democratic bodies of our socialist society have to establish new strategic targets for the action that has to be taken in the future to commendably fulfill the plans and programs for socioeconomic development, scientifically assess the current situation of Romania on the basis of dialectical and historic materialism, and establish the political and organizational measures regarding the future activity of the party, of the democratic organizations, and of all our people to ensure our homeland's firm progress toward new pinnacles of progress and civilization. [applause]

The conclusions and guidelines that will be established as a result of these broad democratic discussions must constitute the theses for the next party congress and form the basis of all activities in preparing and holding the 14th RCP Congress next year. They must be the basis of the new 1991-95 5-year plan and of the program for socialist Romania's development up to the year 2000. [cheers, chants]

One can say, without being wrong, that these have been the most democratic, the broadest, and most comprehensive discussions within the party and in our society throughout socialist construction. They have demonstrated the strength and the creative capability of our party and people to unflinchingly ensure the implementation of the programs for socioeconomic development and for Romania's firm advance toward the achievement of the golden dream of our people and of the whole of mankind—communism. [cheers, chants]

At the same time, the discussions have clearly demonstrated that it is necessary for us to make a scientific analysis, even though a very brief one, of the overall development of our people—from the formation of the first centralized state of the Dacians 2,060 years ago—and of the main historic stages that led to the formation of the Romanian people and of the Romanian nation. At the same time, we must vigorously emphasize the main stages of the struggle waged by our people against foreign domination, for independence, and for socioeconomic progress. Within this framework, we have to vigorously stress the role of the people's masses and of the people, the true builders of the history of our homeland. At the same time, it is necessary to firmly emphasize the role of the workers class and of the revolutionary workers movement in Romania in the second half of the 19th century with the formation of the party of the workers class in 1893 and then the RCP in 1921. We must vigorously stress the activity carried out by the party and by the revolutionary workers movement in guiding the struggle of the people's masses, and the activity of the antifascist and anti-imperialist democratic movement in the period between the two wars and the achievement of the revolution of social and national liberation. Only on this basis will we be able to better understand the situation of Romania in 1944 and what Romania's transition to socialism meant for the socioeconomic development and for the well-being and happiness of all

our people. Only by being aware of what our country's situation was in the past will we be able to properly understand that only socialism will ensure the elimination of foreign imperialist domination and backwardness. In a relatively short historic period we achieved a vigorous development of the forces of production and of all economic areas, a general improvement in the level of civilization of all our nation, progress in science, education, and culture, a constant increase in the material and cultural standard of living of all our people, and Romania's turning into a strong agrarian-industrial state in full development, as well as Romania's strengthened material and cultural potential and its strengthened independence and sovereignty. [cheers, chants]

Esteemed comrades: The millenia-old history of the Romanian people, as in fact of all peoples, is the history of the development of the forces of production, of manufacturing and perfecting the work tools, of the class struggle between oppressed and oppressors, and of the organization and unification of people in state groupings and formation, and it is the history of the formation of the peoples and nations, of constant socioeconomic progress, and of advancement on the basis of the achievements of science and knowledge in each stage of development.

Ancient history and archeological documents and research demonstrate, on the basis of undeniable facts, that our ancestors lived and developed thousands of years ago on the territory of our current homeland. As is well known, in the second century before our era the Thracians and Dacians were a powerful population with an advanced civilization, and 2060 years ago—under Burebista's leadership—the first centralized state of Dacians was formed—the most valiant and most just of the Thracians, as Herodot characterized them. Under the leadership of Burebista and of the legendary Decebal, the centralized state of the Dacians played a very important role in the history of ancient civilization. After long struggles with the Roman Empire and following the victory of this empire in Traian's time, a long period of coexistence between Dacians and Romans followed, and a new people started to form, the Romanian people who inherited and developed the most excellent characteristics of the two peoples, especially their love for work, for truth, freedom, justice, and independence, their spirit of cooperation and friendship with other nations, their desire to be complete masters of their destiny, and their determination to permit no one's interference in their affairs. [applause]

Historic circumstances were difficult: The migration of various tribes and populations, and foreign invasions hampered the development of the Romanian people for hundreds of years. Undeniable scientific written and archeological proof vigorously demonstrates that throughout the centuries the inhabitants on the territory of our homeland organized their own economic and political life, and struggled bravely to preserve their existence, life, and ancient land, while cooperating and peacefully coexisting with other peoples, especially with their neighbors. In the spirit of scientific and historic truth, we must say that the Thracian-Dacian civilization on the territory of our homeland today exerted a strong influence in this area, being, in turn, influenced by the great civilizations that followed each other in this part of the world. It is also well known that the higher Dacian-Roman civilization, and then the Romanian people's civilization, left their mark on migrating populations who settled in this land and on the development of those nationalities, who throughout time, coexisted with the Romanians in these lands.

At the end of the last millenium and the beginning of the second millenium, the small Romanian state formations organized an independent life and, despite difficult conditions, they lasted several hundred years, and they united and formed more powerful state formations, which were of great historic importance. One can say that the 13th and 14th centuries are a decisive period in the formation and assertion of the Romanian people. The unification of the small state formations, of the voivodships, and the formation of the Romanian Principality and of the Principalities of Moldova and Ardeal [comprising Transylvania and Banat Provinces] marked a historic moment in the Romanian people's rebirth, development, and unification within a united people, and later within the Romanian nation. [cheers, chants]

The preservance and development of the Dacian-Latin culture played an important role in the Romanian culture and language based on the symbiosis of the Dacian-Roman civilization and on the multifaceted Latin civilization, which determined the very existence and customs, and the way of thinking and living of our people. During this long period—from a social and political viewpoint—all social systems succeeded each other on the territory of our homeland: the primitive commune, slavery, various forms of feudalism, and then the capitalist society, and now the higher stage of the socialist society. [applause]

At the same time, we must mention the existence in that period of free peasants, tradesmen, and other social categories, who played an important role in the socioeconomic development of the Romanian people. A dialectical-materialist analysis of the overall development of our homeland demonstrates, on the basis of undeniable facts, that the decisive role in the development and formation of our people and of our nation was played by the people's masses, the people themselves, who, through their own work and struggle, built their own material base, culture, language, and free life, and ensured the formation of the Romanian nation, and then the formation of the united Romanian state. [cheers, chants]

At the same time, we must stress the role played by the progressive forces in each stage, by the brilliant personalities who attached utmost importance to the general interests of the people and who played an important role in the development and formations of the Romanian

people and nation—Bogdan Basarab, Mircea the Great, Stefan the Great, Iancu of Hunedoara, Mihai the Brave, Brancoveanu, Vlad Tepes, Petru Rares, and others who, through their deeds and (?lives), put down their names in Romania's golden pages of history. [applause]

The unification of the Romanian Principality, Moldavia, and Transylvania at the end of the 16th century during Mihai the Brave's reign and the formation of the first united state of the Romanians, although just for a short period, constituted an epoch-making victory for our people and demonstrated to the whole of the world the force of the Romanian people and their desire to be united within a uniform independent state. [applause]

At the same time, our homeland's golden pages of history also include the struggle waged by serfs, peasants, and other progressive force: the revolution of Bobilna, of Horia, Closca, and Crisan; the 1821 revolution led by Tudor Vladimirescu; and other important stages in the struggles for social and national liberation and for socio-economic progress.

Our entire history clearly demonstrates that the delayed formation of the Romanian principalities, of the national Romanian state, and of the nation itself was a result of foreign domination and rule, and later a result of the exploitation and oppression of the countries of the three great empires: the Ottoman Empire, the Tsarist Empire, and the Austrian-Hungarian Empire. Life and facts—the true judge—demonstrate that all this could not stop the formation of the Romanian people, of the Romanian nation, and of the united national state, and could not stop the development of Romania and of our people on the path of progress and civilization.

Esteemed comrades: Halfway through the 19th century, capitalist structures began developing in all three Romanian principalities, Wallachia, Moldavia, and Transylvania. This also marked the appearance on the historical scene of the workers class and the bourgeoisie, which had the historic role of ensuring the development of the forces of production in our country. The 1848 bourgeois-democratic revolution strongly emphasized the existence of powerful sociodemocratic bourgeois and people's forces in the principalities—Wallachia, Moldavia, and Transylvania—which were working to eliminate the feudal system and create a higher social system.

The defeat of the 1848 bourgeois-democratic revolution following the intervention of foreign forces prevented the attainment of the targets for our fatherland's democratic development and had a strong impact on our entire future development. However, as is well known, the second part of the last century witnessed an important development of the forces of production on capitalist bases, while the feudal society continued to be strongly manifested in all its aspects.

An important role in our people's entire development was played by the union of the two principalities Wallachia and Moldavia in 1859 under the leadership of Cuza. The formation of this Romanian state represented the nucleus of the united national state. In this period of unrest, a particular significance devolved on the 1877 war of independence and the proclamation of state independence, which ensured better conditions for the development of the forces of production and the entire society.

At the same time, one should point out that, with the appearance of the workers class, its first organized formations also came into being: socialist formations, the press, and other [word indistinct] of a socialist nature, which played an important role in Romania's economic life and entire development.

One should especially emphasize the creation of the first party of the workers class in our fatherland in 1893, the Social Democratic Workers Party of Romania. In all this period, there were (?actions) of the broad masses and peasantry, which (?culminated) with the 1907 peasants uprising. This uprising emphasized the strength of our peasantry, the basic social class, and the fact that the peasantry, which has played an outstanding role in the fatherland's entire development, was completely devoid of economic and political rights and continued to be oppressed by landlords and the bourgeois-landlord classes.

The imperialist World War I resulted in the crumbling of the neighboring empires—the Czarist and Austro-Hungarian empires—and created conditions for the implementation of the Romanians' dream of living in a single state and for the establishment of other independent states in central Europe. Thus, on 1 December 1918, by the decision of the broad masses and the nation, Transylvania joined Romania and the united Romanian national state came into being. The achievement of this century-old dream of our people opened up a new era in Romania's development toward new peaks of progress and civilization. [cheers, chants]

Better conditions were created for broadly developing the forces of production, industry, and other sectors and for implementing certain social and democratic reforms. In spite of all this, we must openly say that in the second half of the last century the Romanian economy was taken over by foreign capital and later by the imperialist monopolies.

The RCP was set up in this period, namely in 1921; the founding of our party raised the struggle of the workers class and of revolutionary and democratic forces to a higher level. Everybody is familiar with the RCP's activities in leading the great class battles against war and fascism and for achieving the unity of the workers class and democratic forces against the war [word indistinct]. Everybody knows of such events as the miners' struggles in 1929; the oil workers' and railway workers' struggles

in 1933; the establishment of the People's Front; and the great antiwar and antifascist demonstration of 1 May 1939. All these events clearly proved the ability of the workers class, the Communist Party, and other democratic forces to bring about a political turn in Romania's life.

It is worthwhile mentioning the firm position adopted by the Communist Party, the workers movement, and other patriotic forces against the fascist dictatorship, the Vienna Diktat, and Romania's plunge into the war waged by Hitlerite Germany against the Soviet Union. The RCP had the honorable mission of representing the most active national force in the efforts to forge the United Workers Front, to unite the democratic forces against the war, to sabotage the fascist and Hitlerite war machine, and to organize and carry out the historic act of 23 August 1944, namely the antifascist and anti-imperialist revolution for social and national liberation. [cheers, chants]

One can justifiably assert that the 23 August 1944 historic act ended foreign imperialist domination for good and opened up the road for great revolutionary changes and for a transition to building socialism in Romania. In order to better understand the entire revolutionary process that followed, let us review Romania's situation in 1945. From a social viewpoint, our country was a state with a bourgeois-democratic system and strong feudal remnants. From an economic viewpoint, it was a poorly developed country. Here are several figures that illustrate this situation:

The volume of industrial production amounted to only 10 billion lei in 1948 comparable prices; agricultural production came to about 15 billion lei and the overall national income to about 20 billion lei. Industrial production contributed to almost a third of the national income, while agriculture and the other sectors made up the rest, that is—more than two thirds. About 80 percent of our country's population was employed in agriculture. This situation was a direct result of the aforementioned factors, namely that for 2,000 years our people have developed under very difficult conditions. For more than 400 years our nation had to pay tribute to foreign empires amounting to almost 4 billion lei-gold, which equals some 1,200 tonnes of gold. As I mentioned before, with the transition to capitalist development and the proclamation of state independence, the foreign capital and imperialist monopolies strongly penetrated the Romanian economy. More than 60 percent of the Romanian industry was in the hands of foreign companies and imperialist monopolies. Almost 80 percent of our oil, one of our country's great assets in those days, was in the hands of foreign companies. According to incomplete data, in a period of almost 80 years, from 1860 to 1940, imperialist companies and monopolies robbed the Romanian people of more than $100 billion. To this one should add Nazi Germany's plunder during the war and the losses incurred by participation in the war alongside Hitlerite Germany. Life and cruel reality strongly show that the foreign companies and monopolies did not contribute to the expansion of the forces of production or even to Romania's capitalist socioeconomic development; on the contrary, just as they did throughout the dependent colonies and countries, they also robbed our country of vital assets and impoverished the whole nation. That is why Romania was a poorly developed country in 1944. The century-old foreign domination and oppression under various forms, which has prevented our people's socioeconomic progress, taught us that only through our forces, in full freedom and independence, can we promote the people's socioeconomic development, well-being, and happiness. [cheers, chants]

Esteemed comrades: Immediately after the victory of the antifascist and anti-imperialist revolution for social and national liberation, Romania participated with all its military and economic might—on the side of the Soviet Union and the Allies—in the war to fully liberate the territory of all Romania, which was still under Horthist-Hitlerite domination, and later in the war to liberate Hungary, Czechoslovakia, and part of Austria, until the final defeat of Hitlerite Germany. At the same time, Romania, our party, and the democratic forces were confronted with the problem of rebuilding the national economy, which was destroyed by the war and by the Hitlerite and foreign monopoly plunder. In this period, our country continued to develop on bourgeois-democratic bases. The establishment of the workers-peasants democratic government of 6 March 1945, was a moment of historic importance in Romania's transition to democratic development and the full elimination of imperialist domination. Important socioeconomic reforms were implemented in industry, agriculture, and other fields of activity. As is well known, the economic situation continued to be very grave. In these circumstances, at the 1945 National Conference, the RCP proclaimed the need for a new policy of Romania's development, by giving priority to industrialization as a vital prerequisite for our fatherland's future.

Throughout this period, the influence of the RCP, the Social-Democratic Party, the Plowmen's Front, and other patriotic and democratic formations continued to grow. The trade unions, the Union of Communist Youth, women's organizations, and other mass and public organizations were set up; all these organizations mobilized and united the broad people's masses into a single direction, namely to save Romania from backwardness and to promote an independent socioeconomic development. In these conditions, the Republic was proclaimed on 30 December 1947, and the united party of the workers class was created in February 1948. [cheers, chants]

It is necessary to recall that in the 100-year period since the 1848 bourgeois-democratic revolution until the 1948 transition to socialist revolution, our country has covered a long historical period, with great implications for the development of the Romanian people and the formation of the Romanian national state. We highly value

the important historical events in our people's struggle and the activity of various personalities such as Balcescu, Cuza, Kogilniceanu, and many others who put above everything else the country's interests at the respective times and our people's future. [cheers, chants]

In spite of all this, I want to emphasize once more that, at the time of our country's transition to socialist construction, Romania continued to be a poorly developed country; our people's living standard was very low. That is why the party, other democratic and progressive forces, and our people were faced with the problem of stepping upon a new road which can speedily eliminate backwardness and ensure the country's strong socioeconomic development, a decisive prerequisite for raising the whole nation's material and intellectual well-being and strengthening Romania's independence and sovereignty. [cheers, chants]

Esteemed comrades: In those difficult conditions in Romania the RCP assumed the great historic mission of pooling the efforts of the whole nation to overcome the state of backwardness, rebuild the economy, and proceed to establishing the new social system, in which the people, complete masters of their destiny, are fashioning their own free and independent future, in accordance with their wishes. [cheers, chants]

Indeed, 1948 marked the transition to implementing the socialist revolution and construction in Romania. The nationalization of industry, the banks, and other productive sectors led to the elimination of capitalist ownership in these branches and laid the foundation for the socialist development of the Romanian economy and for the establishment of the joint ownership of the whole nation. Intensive steps were taken to organize, develop, and modernize existing enterprises in the newly created industrial circumstances, while new industrial units and branches were set up. At the same time, we started the process of completely eliminating landlord property and limiting the capitalist forms in agriculture, and in 1949 we proceeded to the cooperativization of agriculture, which was concluded, in general terms, in 1962. Concurrently with all this, we created and developed a broad system of artisan cooperatives of small handicraft workers and we also strongly developed consumer and turnover cooperatives.

The first stage of organizing industry and other branches on socialist bases has covered a period of about 18 years, from 1948 to (?1965). In this first stage of socialist construction, we completely eliminated the bourgeois-landlord system and man's exploitation by man. We created conditions for the uniform development, on socialist bases, of the property of the whole people, the cooperative property, and the property of all sectors of activity. At the same time, we developed the educational system on new bases, by completely eliminating illiteracy, and proceeded to develop science and culture, also on new bases.

Looking back, we can justifiably say that, in the 1945-1965 20-year period—when we covered two different development stages: development on democratic-capitalist bases and the socialist construction—we obtained outstanding achievements and witnessed great revolutionary developments which radically changed the face of Romania. [cheers, chants]

There were achievements in promoting our socioeconomic development and raising the peoples's living standard. The entire stage of socialist construction until (?1965) was characterized by an intensive struggle against reactionary forces and against the sabotage of the former ruling classes, which were overthrown, and the action of imperialist circles against our country. At the same time, we had to eliminate the state of backwardness and pay about $1 billion as war reparations. At the beginning of the fifties, we had many military expenditures and the existence of [word indistinct] in basic economic branches has actually hampered the accumulation process in and the development of the respective sectors and of the entire national economy. At the same time, a number of mistakes were made, serious shortcomings were registered, and several grave abuses were also unfortunately committed, all of which hampered the socialist development of our fatherland.

One should emphasize that this very period was also characterized by strong foreign conflicts, which were actually of an antisocialist nature, and by attempts to negate the force and capability of the Romanian people and workers class, and to even negate Romanian history, language, and culture. Our creative activity was seriously hampered; an erroneous concept emerged, according to which it was not necessary to develop our own science and technology. There is no doubt that this state of affairs had a negative impact on socialist construction in this first stage. Therefore, one can say that, although the organization of our society's state and cooperative property on socialist bases was concluded in 1965, Romania continued to be a developing country, in the lower echelon of this category of countries.

This is what the Romanian economy looked like in 1965:

The fixed assets amounted to about 460 billion lei and the national income to about 141 billion lei, of which about 71 billion lei was in industry, some 37 billion lei in agriculture, and about 32 billion lei in other sectors. Of our total manpower, only 1,860,000 working people were employed in industry, while 5,480,000 were employed in agriculture. The remuneration fund amounted to about 57 billion lei; average pay was about 1,000 lei, and the minimum pay about 700 lei. These figures show that some important results were indeed scored compared with 1944; however, they also prove that we were just at the beginning of the socialist construction and strong socioeconomic development in Romania.

Now, when we recall the road covered and examine our past activities by taking into account everything attained in that period, we must state with complete satisfaction that the RCP proved that it was the only historical force in our fatherland's long history which identified with the whole nation's interests and acted in a spirit of full responsibility to further raise Romania to a new and higher level of socioeconomic development, for the people's well-being and happiness. [cheers, chants]

Pointing out these great achievements and also criticizing certain mistakes, shortcomings, and abuses that were committed, we must however emphasize, in a spirit of full responsibility, that all these mistakes did not divert our country, our aktiv, and the basic party cadres from the road of socialist construction. Therefore, one must stress that, in the activity of our revolutionary workers movement, the RCP, and other antifascist and democratic forces, many Communists, revolutionaries, and patriots sacrificed themselves and gave their lives to liberate their fatherland, to eliminate oppression, and to build the new social system. Our party and people are praising and will always praise all those who, at the important points of the fatherland's history and the people's struggle, have done their duty to the people, fatherland, and the cause of socialism and communism. [cheers, chants]

Esteemed comrades: the Ninth RCP Congress examined in a critical and self-critical spirit the activity of the first stage of socialist construction in Romania and set out guidelines for our fatherland's socioeconomic development in the new stage of socialist construction, beginning with 1965. The second stage, which one can say has covered three 5-year plans over the 1965 - 1980 period, created strong socialist industry based on the latest scientific-technological achievements, developed other branches of activity, consolidated the socialist sector in agriculture, and increased overall agricultural production. At the same time, particular attention was paid to scientific research, educational improvement, and the cultural, political, educational activity. In the 1965 - 1980 second stage of socialist construction, Romania was turned into an industrial-agrarian country undergoing full development. [cheers, chants]

One can justifiably say that the Ninth RCP Congress has opened up a new revolutionary era in the party's activity and socialist construction in Romania. An end was put to conservative attitudes, set patterns, and the concept of a single model of socialist construction. We eliminated subservience toward everything foreign and gave back to our party and people the feeling of confidence in their own strength and ability to think and act, and a feeling of patriotic and revolutionary dignity. [cheers, chants]

In our entire activity, we proceeded from the fact that the objective general laws and the principles of socialism are implemented differently from one country to another, and from one stage of socioeconomic development to another. The report to the Ninth RCP Congress emphasized the following; I quote: Marxism is a lively science, which is ceaselessly developing and enriching itself, by summing up the historical experience and the conclusions of social development. In working out their teachings, whose basic truths are brilliantly confirmed by life, the classics of Marxism could not give definitive answers to all the concrete problems that have emerged in the wake of the victory of socialism in a number of countries; they could not examine the forms and methods of socialist construction in all their complexity, nor the problems pertaining to relations between socialist countries. To examine and solve these problems is a duty of each communist party, which can thus make a contribution to developing the common experience of the revolutionary movement. The classics of Marxism-Leninism have often stressed that Marxist-Leninist theory is not a dogma, (?but) rather a guide for action. They insisted that it is necessary to independently examine the theory, as it only provided guiding principles which are applied differently from one country to another. End of quote.

In the spirit of these theoretical and practical programmatic orientations, in the 20 years which have elapsed since the Ninth RCP Congress we have taken steps to continuously improve the economic mechanism, the conditions prevailing in all sectors of activity, and the entire democratic system of social management. Looking back on the entire activity in these past years, we can state with justified pride that this era of great changes and outstanding achievements in all spheres has fully confirmed the correctness of our party's concept on applying the general laws and socialist principles to the realities and conditions prevailing in Romania. [cheers, chants]

At the beginning of the eighties, with the passage to the Seventh and Eighth 5-Year Plans, Romania entered a new stage of socioeconomic development, the stage of building the comprehensively developed socialist society and preparing the ground for the gradual transition toward communism. In the decade 1981 - 90 we embarked upon a course of intensively developing industry and other sectors of activity, on the basis of the latest achievements of science and technology. The strategic target established by the 13th RCP Congress for Romania's transition to a new development stage by the year 1990, namely, the stage of a medium-developed socialist country, is based on the strong development of the forces of production, socialist industry, science, education, culture, and agriculture, and on the implementation of the new agrarian revolution.

We are halfway through the Eighth 5-Year Plan. We are making preparations for the 14th RCP Congress, which will adopt the Ninth 5-Year Plan as well as various general guidelines concerning Romania's development until the year 2000 and, in certain spheres, even through the first decade of the 21st century. Some 44 years have elapsed since the victory of the antifascist and anti-imperialist revolution for social and national liberation,

and some 40 years since the transition to socialist construction in Romania. Therefore, I think we should draw up a balance sheet of the distance covered, of our overall achievements, and of the stage of Romania's socialist development, with a view to establishing future targets.

In this period, industrial production has increased 123-fold, compared with 1945. New, modern industrial branches were set up: steel production increased about 120-fold; chemical production by more than 1,300-fold; and machine building more than 500-fold. Light, food, and consumer industry also underwent great development. Actually, all sectors have registered significant development. Agricultural production increased more than 9-fold. At the same time, the accumulated national wealth has reached the figure of 5.1 trillion lei, and the productive fixed assets about 2.5 trillion lei. The national income has increased more 36-fold and the overall remuneration fund about 75-fold, compared with 1945. It is worth mentioning the fact that 80 percent of these increases were achieved after the Ninth RCP Congress.

Within the process of socialist construction, giving priority to the strong development of industry on the basis of the latest scientific achievements, we also proceeded to the regional deployment of the forces of production in all the country's counties and areas. In the last 20 years, we created almost 2,000 enterprises, which were distributed in the old centers and in more than 130 new industrial platforms. The just distribution of industry and the forces of production throughout the country is one of the great achievements of socialist construction in our country. It ensures working conditions for the working people in all counties and raises the material and intellectual living standard, as well as the overall level of civilization, a prerequisite for true equality of rights among all our fatherland's citizens, regardless of differences. [cheers, chants]

The role of agriculture as a basic branch of our homeland's socioeconomic development and of socialist construction has been established. Action has been taken to vigorously increase agricultural output by installing big irrigation systems on almost 4 million hectares and by carrying out important land improvement operations, and to work to increase the productive potential of our lands. We have solved the problems of the comprehensive mechanization of agriculture and of chemicalization, thus creating conditions to achieve good yields which in past years amounted to approximately 30 million tonnes of grains and were characterized by an important increase in the produce of all the other sectors of agriculture.

Transportation, construction work, and the other sectors of activity have developed vigorously. The activity of scientific research, which plays an increasingly important role in all fields, has also developed vigorously. The 10-year education has been given general application but almost 80 percent of our young people are attending 12-year education. At the same time, intensive cultural activity has developed, as has the activity of improving the general level of knowledge of the working people and of all our people.

Throughout this period, especially in the wake of the Ninth RCP Congress, an extensive investment program was implemented, which amounts to more than 4.1 trillion lei. On this basis we have ensured the vigorous development of the forces of production, industry, and agriculture, and the implementation of the comprehensive program for sociocultural construction. In the past 23 years alone we have built 2.4 million apartments from state funds, as well as hundreds of thousands of dwellings from the population's funds.

In the current 10-year period the Danube-Black Sea and Poarta Alba-Navodari Canal was put into operation. Bucharest's subway was built, the Dimbovita River was modernized, the Transfagaras Road, and other important construction work were completed and will last for centuries. The new political-administrative and cultural center is being built. Work has begun to make the Arges River a navigable river by 1990.

All these great industrial, agrarian, cultural, and other goals have changed the whole image of our homeland, of cities and villages, and of the whole level of civilization in Romania. The vigorous development of the socioeconomic activity has ensured a constant increase in the working personnel and in other sectors of activity. Of the total active population of more than 11 million, some 8 million are working in industry and other areas, while more than 3 million are active in agriculture, in the state agricultural enterprises, and in the agricultural production cooperatives.

As I have said, the renumeration fund increased almost sixfold in the wake of the Ninth RCP Congress alone—it increased from 50 [Ceausescu repeats himself] from some 56 million lei to some 300 million lei this year. The average remuneration increased more than threefold and the minimum remuneration increased more than 3.3 times.

More than 3 million people are benefiting from the pensioning system and some 5 million children benefit from children's allowances. We can actually say that the incomes of all people in Romania are linked, in one form or another, to the development of industry, agriculture, and the social sector, and that the incomes of each citizen are linked with the development of the socialist economy in our homeland. [applause]

The consumption fund and the necessary consumer goods have increased more than 18 times over, compared with 1950, thus ensuring for all working people and all residents dignified living conditions. As a matter of fact, the calorie consumption per capita amounts to some 3,200 calories [no timeframe given] and this places

Romania among the ranks of the countries with a positive consumption from all points of view, a requirement for physical and intellectual development.

The medicare system has been vigorously developed; hospitals, medical units, and other establishments have been built. In its overall policy, our party has started and continues to start from the fact that improving our people's material and cultural standard of living is a basic target of socioeconomic development and of our Communist Party, and is the very essence of the comprehensively developed society which we are successfully building in Romania. [cheers, chants]

Whoever visits Romania, any man of goodwill no matter what his political or philosophical ideas are, is able to note the great transformations that have occurred in our homeland and in the life of the Romanian people, as well as the vigorous socioeconomic development during the years of socialist construction, especially since the Ninth RCP Congress. We look with pride on everything we have achieved. We must say frankly that things have not quite progressed as envisaged and as desired. In the first stage of our construction there were errors and abuses that distorted socialist construction at one point, which, however, were eliminated by the party in time, thus ensuring conditions so that such situations will never be repeated.

In the stages that followed there were also certain failings and mistakes. We were not always able to fulfill all planned targets on schedule. Some areas such as energy are lagging behind our general development. If we had worked with greater responsibility in all areas, we would undoubtedly have had much better results.

We have traveled a long and difficult road. We have advanced along unknown paths. However, guided by the general laws and by the socialist principles, we have ensured the elimination of shortcomings and mistakes in time and stimulated all sectors of activity, thus achieving our great accomplishments in all areas.

The socialist society completely eliminated the exploitation and oppression of man by man. The goal of the entire socioeconomic activity in our socialist society is the general increase in the national wealth on the basis of developing the forces of production, all areas, education and culture, and improving, on this basis, the general well-being of man. The complete elimination of poverty and the ensurance of a society of the working people in which there will be neither rich nor poor, but solely working people, who have a dignified level of material and cultural civilization, and who are building their future freely as they desire. [applause]

We look with justified pride on everything we have achieved and we are also determined to work with great determination to eliminate shortfalls and continue to perfect all activities, thus ensuring the unflinching implementation of the strategic targets put forward by the party program for building the comprehensively developed socialist society and Romania's firm advance toward communism. [cheers, chants]

Esteemed comrades: All great achievements in the years of socialist construction, especially in the wake of the Ninth RCP Congress, have been possible as a result of the consistent application of the objective law on accumulation, enlarged reproduction, and development. Starting from this, in the past 23 years each year we allocated one-third of the national revenue for the development fund and two-thirds of it for the consumption fund. Only in this way have we been able to ensure the implementation of the programs for developing the forces of production, industry, and agriculture, science, education, and culture, as well as the program for housing construction and the construction of sociocultural establishments, which constitute the basis of society's development and of constantly improving the material and cultural standard of living of all our people.

In this period, several times I have drawn attention to the fact that if the accumulation and development fund are reduced, we will endanger the very existence and the future of all our nation, and I also drew attention to the fact that we cannot consume more than permitted by the means we have achieved as a result of general development; we cannot consume everything, we must ensure the accumulation funds for the overall socioeconomic development of our homeland by all means.

I have stressed and want to stress that a reduction in the accumulation and development fund can ensure (?a short-term) higher consumption; however on a long-term basis this will lead to a general reduction of our homeland's material and productive potential and thus to a pronounced reduction in our people's standard of living.

On the basis of facts, we can say that life has fully confirmed the correctness of our party's policy, of applying the objective laws on the accumulation and development fund for enlarged reproduction in order to create a powerful and constantly increasing material base, the only way to constantly improve our people's material and cultural standard of living. [Words indistinct] had we not achieved the current development in our country, we would not be able to ensure jobs and working conditions for all the citizens of our homeland, and we would not be able to ensure today's remuneration and the other social expenses which have an important share in improving our people's standard of living.

Starting from this, it is necessary to continue to ensure a correct distribution of the national income for the consumption fund and for the accumulation and development fund with a view to ensuring the conditions for the unflinching implementation of the strategic goals aimed at our homeland's future development. [cheers, chants]

I have to emphasize that only by allocating the required funds for accumulation and development will we ensure a vigorous development of industry, agriculture, transportation, and the other branches and, on this basis, be able to ensure a vigorous development of socialist ownership, the ownership of all people, and cooperative ownership. After the Ninth RCP Congress, important measures were taken to strengthen and develop socialist ownership and also increase the responsibility of the working people as owners and producers for the proper management and development of the ownership of all our people and of cooperative ownership.

In this sense, the working people in each enterprise were given the fixed assets and circulating capital to use as part of the general property which they had to manage and develop. The principle of profit sharing was introduced thus ensuring for each working man additional incomes on top of his normal remuneration as a result of a positive activity and of an increase in profits of the given enterprise.

At the same time, 10 years ago we introduced the system of social participation meaning that each working man is able to participate with privately-owned shares of at least 10,000 lei and up to 100,000 lei in the funds of the given enterprise. Thus the personnel of a given enterprise may hold up to 30 percent of the total enterprise funds and may receive annual profits of 4-6 percent in keeping with the results attained by each enterprise.

The same principle has been introduced in the cooperative system. We believe that this has improved the system of common ownership thus combining, in an appropriate form, the incentives of the working people's collectives both for the development of common ownership in general and for their personal participation in the development fund and the activity of each enterprise. In this way, our ownership system of the fixed assets, including lands, incorporates the property of the whole nation given for administration to each working people's collective, which amounts to some 65 percent, the cooperative property in all fields amounting to some 27 percent, and private property, including the participation with shares in the development fund, amounting to some 8 percent.

We believe that this is fully in keeping with the conditions and realities in our homeland and ensures the best of conditions for further developing the forces of production and the material-technical base of the entire society. Therefore, it is our responsibility to work with great determination to strengthen and develop the socialist ownership of all people, as well as cooperative ownership as the basis of our overall socioeconomic development, of successfully building the comprehensively developed socialist society and advancing toward communism, and as a basis of improving the material and cultural standard of living of all our people. [cheers, chants]

Esteemed comrades: as I have mentioned, as early as the Ninth RCP Congress in 1965 we established the transition to perfecting the leadership and planning system and creating an appropriate framework for the realities in our country. In this sense, we started from the principle that the leadership and financial planning forms are not valid once and for all, they must be perfected constantly in keeping with the development of the forces of production, of science, culture, and the material-technical base by starting from the need of increasing the role of the working people and of the democratic framework in the overall leadership of the socioeconomic activity.

In this period we introduced and perfected the system of self-management, self-administration, and self-sufficiency of each socioeconomic unit. We created a broad system regarding strengthening the direct responsibility of the working people's collectives for the activity of each enterprise. At the same time, we developed a new democratic leadership framework by replacing the principle of the one-man leadership by the principle of collective leadership.

We have created the working people's council in all enterprises, in all areas in which at least 30 percent of the personnel are workers. We have institutionalized the role of general meetings of owners and producers throughout the activity of enterprises. Accordingly, we have created local and national bodies with the organized participation of the masses and of all people in the leadership of all sectors of activity.

Life has demonstrated the correctness of this measure and we can justifiably say that because of this broad system of democratic self-management we have been able to ensure the unflinching implementation of our socioeconomic development programs. [applause]

At the same time we moved from the need to ensure a uniform leadership throughout the economy on the basis of the uniform national socioeconomic development plan and an appropriate blending between our uniform leadership, an increased responsibility, self-management, self-administration, and self-financing in all areas.

There have been tendencies toward wrongly understanding this in the sense that it was not taken into consideration that self-management and self-financing do not entitle people to spend and consume without having to account for it to the state and the people. It has not been understood that democratic self-management and self-administration requires an improved order and discipline, and greater responsibility for the proper leadership of activities and the management of funds entrusted to the people.

Examining the activity carried out so far, we have to draw all necessary conclusions, from both what is good and from the shortfalls that existed and still exist, and we

have to work with great responsibility to unflinchingly implement the socioeconomic targets and to raise our homeland to new heights of progress and civilization.

Esteemed comrades: we have reached the end of the 3d year of the 1986-90 5-year plan. Generally speaking, we have achieved positive results this year, although they fall short of plan provisions. It is necessary to work with great determination to commendably fulfill this year's plan and the 1989-90 plans, so that we can ensure the complete implementation of the provisions of the current 5-year plan and of the decisions of the 13th RCP Congress and of the National Conference.

This means that we have to work with great determination to achieve an intensive development in all areas. From a quantitative viewpoint, many sectors have reached a positive level of development, a fact that places Romania among the ranks of the developed countries regarding the per capita production and regarding the overall production itself. At this point, all our activities must focus on implementing the programs for intensive development, for organizing and modernizing industry and the other branches on the basis of the most modern achievements of science and technology.

This year we must finalize the programs for all sectors, branches of activity, and for all enterprises, moving from the fact that only on this basis will we be able to ensure the implementation of the targets of the 13th RCP Congress during the current 5-year plan. At the same time, we must work with great determination to fulfill the programs for the development of agriculture on the basis of the goals of the new agrarian revolution; we must make sure that by 1990 we will achieve at least 35 million tonnes of grains and see to it that outputs are appropriately increased in all the other branches, including the animal breeding sector and animal production.

To implement the targets of the current 5-year plan, we must take all necessary measures to vigorously develop the material-technical base, to ensure proper supplies, and a proper production process. This requires the unflinching implementation of the programs in the area of mining, oil, construction materials, chemistry, metallurgy, and the other branches which have to achieve productions required for the proper progress of the production process.

At the same time, we must work with greater determination to ensure the observance of the material and energy consumption norms and a constant reduction of these consumptions on the basis of perfecting production technologies and of improving all activities. Special attention must be paid to the recovery programs and to the re-use of materials, subassemblies, and parts which are of great importance for all sectors since in some sectors they exceed 50 percent of the material and raw materials required. Similarly, the implementation of this program is also of particular importance for reducing energy and material consumption in general.

Decisive measures are necessary to achieve the goals in the energy field. We must see to it that by 1990 we solve our lags in the energy field in general terms. The programs we have and the investments we make in this respect fully ensure conditions to achieve this goal. It is particularly necessary for us to work with great determination in the direction of increasing labor productivity on the basis of properly organizing all activities, of mechanization, automation, and the introduction of robotics in the production process.

Special attention has to be paid to the implementation of provisions on improving the technical level and the quality of all products. It must be well understood that we cannot implement the targets of the current 5-year plan without considerably improving the quality and technical level of products. This is one of the basis requirements of all our activities. At the same time, all our sectors must focus to a greater extent on increasing efficiency and ensuring the profitability of all socioeconomic activities on the basis of reducing material and production expenditure and of strictly observing economic-financial norms.

In this sense, it is necessary to firmly apply the program for economic-financial norm-setting and for establishing the circulating capital, as well as the law on setting production costs. This is a compulsory requirement for a proper activity and leadership on the basis of the principles of self-management and self-administration.

To achieve all these targets, scientific research must be involved with its entire potential in solving the complex organizational and modernization problems, in perfecting the characteristics of existing materials, and in achieving constantly new materials and technologies, which will ensure a better utilization of raw materials and our people's work.

The fulfillment of the provisions of the current 5-year plan is possible only on the basis of the most modern achievements of science and on the firm involvement of all research activity in the fulfillment of these goals. [cheers, chants]

At the same time, we should firmly blend research with education and production and we should blend all of the research activity with the practical requirements of production and with the requirement of finding solutions to the problems that emerge from the complex activity of manufacturing better products at an increasingly higher quality level. Likewise, we should most resolutely strive to implement the program for perfecting education, increasing the technical level, and ensuring the training of cadres and of working people in all areas. We must never forget that it is possible to achieve all our targets only with people that have high professional and technical training, who are capable of solving most of the problems, and who can ensure our homeland's firm

progress toward the highest peaks of progress and civilization. Decisive measures are required in order to appropriately carry out foreign trade activity and to develop international economic relations.

We have to do all we can in order to completely carry out the production earmarked for export and to fulfill the plan for this year's export and for the next 2 years of the current 5-year plan, thus, we should conclude the eighth 5-year plan with a higher level of international economic exchanges with all countries. We will have to work with utmost determination in order to implement the long-term programs with CEMA member countries, to perfect the activity included in this program, and to perfect specialization and production sharing, in order to ensure on this basis the more marked development of the socialist society and generally strengthen the force of socialism.

We should strongly develop relations with all socialist countries, with developing countries, and with developed capitalist countries, too, in the spirit of equality and mutual advantage. I would like to draw particular attention to the need to expand the activity of production sharing and specialization and to actively participate—still during this 5-year plan period—in cooperation activity aimed at achieving some industrial and agrarian objectives together with other countries, starting from the principles of mutual advantage. In general, we should intensify participation in the international division of labor and in the exchange of material and cultural values. We should bear in mind that the activity of foreign trade is a requirement for fulfilling our programs, for ensuring the broad development of international relations, and for promoting a policy of cooperation and peace with all the countries of the world, regardless of their social system. [applause]

The implementation of the objectives of the current 5-year plan should ensure all conditions—and we can claim that we have all these conditions—to achieve the objective of ensuring Romania's moving to a superior stage, that of a medium-developed country. This will represent an outstanding achievement of our people, a confirmation of the correctness of the policy promoted by our party in building socialism, raising Romania to a higher level of civilization, and improving the material and cultural level of the people. [applause]

Esteemed comrades: the implementation of the decisions of the 13th RCP Congress and of the party National Conference, the fulfillment of the Eighth 5-Year Plan and of the programs for various sectors and spheres of socioeconomic activity, and the passage to a superior stage, that of a medium-developed country are factors of particular importance for the achievement of the first phase of building the comprehensively developed socialist society in our homeland, which permits us to move on—in the next decade, between 1991-2000—to achieving the second phase of this stage. Thus, following the year 2000, that is, in about 50-55 years, Romania will become a comprehensively developed socialist country on the basis of the latest discoveries of science and technology and of human knowledge in general, with a high level of civilization and material and cultural well-being. At that time, we will be able to state with justified pride that we have successfully traveled through all three stages of socialist construction and the first phase of communism. Only on this basis will we be able to further move on to gradually building communism, by traveling through several stages, to the complete achievement of the principles of communist working and living conditions in our homeland. [applause]

Only when we achieve all this will our people enter the golden era of mankind, the era of true freedom and human dignity.

At the 14th RCP Congress, we will adopt plans and programs in accordance with the higher stage of the implementation of the party program. In establishing the targets for the next decade, primarily for the 1991-95 5-year plan period we will have to start from the fact that the level of development of the main industrial sectors and of the itemized production per inhabitant, should be in accordance with the requirement of a developed society. Therefore, in the next decade, during the Ninth 5-Year Plan period we will have to focus on the intensive development of the whole industrial activity and the implementation of the program for modernizing and scientific updating of production and of the work, on the basis of the latest technological discoveries, and we will have to achieve a new quality of work and production in all fields of activity.

This means that on the basis of the same volume of raw and other energy materials, by ensuring that they are appropriately utilizated we should achieve an increase of about 40-50 percent in commodity production, and in certain sectors, we should achieve an even greater increase. We will have to ensure the clear development of the domestic base of raw and other materials, and in particular we should completely ensure the energy needed to carry out production properly and for general consumption. In this respect, we will have to proceed—even during this 5-year plan period, as of next year—to making wider use of nonconventional energy resources, of biogas, biomass, solar energy, and wind, of thermal waters, and of microhydro power station. We must completely ensure the needs of (?geo-thermal farms) and other agricultural sectors, and of small-scale industry. In a few years time we must achieve independence from energy point of view for all rural localities, so that they need no longer rely on the national grid.

We should develop industrial production from a technical and quality point of view in such a way as to be able to compete and achieve products comparable with the best similar products in the world. At the same time, we

should develop all the other sectors of activity. The total transportation sector, including naval transportation, should completely satisfy the needs of the national economy.

One of the primary directions of our activity in the next decade, starting with the Ninth 5-Year Plan period of socioeconomic development, should be the rational utilization of the land stock and the maintenance, and preservation of the environment, of forests, and waters, as an essential condition the development of our homeland. On this basis we can ensure the necessary conditions to fulfill the program for the development of agriculture and for the new agrarian revolution.

The area of agricultural land and arable land in our country will remain the same as in the current 5-year plan period. There is no possibility of expanding it. We have to preserve our forests and our wood stock untouched, and we will even have to carry out aforestation on several thousand hectares of nonproductive land in some counties in accordance with the our national program. Therefore we should appropriately fulfill the program for the irrigation of about 6-7 million hectares, for land improvement and increasing the productive potential of the land by about 3-4 million hectares. We should proceed from the fact that the land is the property of the whole nation and the major means of agricultural production which ensures food for the whole nation. That is why we should ensure that the land is properly managed and each person should see to it that [word indistinct] of arable and agricultural land is properly cultivated. This requires the strengthening and perfecting of the activity of state agricultural enterprises, of agricultural production cooperative, and of machine and tractor stations, which have to work in close cooperation and unity within the joint agro-industrial councils. In general, the area of the state agricultural enterprises will not increase because it cannot increase further. Viewed in perspective, [words indistinct] of the property of the agricultural production cooperatives. The major issue is to properly organize work in th production farms, ensure that they are sized in accordance with the norms established for these farms, and to proceed to an intensive agriculture in all sectors, in grain cultivation, vegetable, fruit, and vine growing, and animal breeding sectors. Implementation of the requirements of the new agrarian revolution is the strategic objective for the development of agriculture. By the year 1995 we will have to achieve at least 45 million tonnes of grain, make sure that the high output of 8,000 kg of wheat and barley per hectare is achieved everywhere, and that we have to begin achieving 10,000 kg or even more per hectare.

Likewise, we have to achieve at least 20-25 tonnes of corn cobs per hectare on all irrigated lands and begin achieving 30 or more tonnes of corn cobs per hectare.

Concurrently with this, we should increase outputs of vegetable, vine, fruit tree, and industrial crop growing sectors, and markedly increase the production of green mass, of grassland, and pastures.

In the animal breeding sector we have to fulfill the provisions of the program regarding the amount of cattle and sheep, and we should achieve a substantial increase in animal products. We will have to see to it that the Ninth 5-Year Plan ensures a proper supply of all agricultural and foodstuffs to the population, at the level of the scientific requirements, for consumption that will ensure the good health and physical and intellectual vigor of our whole nation.

Fulfilling the targets of intensive development of our national economy requires the intensification of research activity and an increase in the role of science in perfecting, modernizing, and developing industry and agriculture, and of the other sectors of activity. We will have to see to it that Romanian science and scientific research in all areas should become a powerful asset of the whole development, of everything we produce, and of the whole of Romanian society. [applause]

Let us see to it that in 1995, in the year 2000, and in 2010 Romania will be a country with a great scientific activity and with strong research activity, which can find solutions to the new problems of socioeconomic progress and of continuously improving the standard of civilization and the general well-being of our people and, at the same time, which can actively participate in developing international economic and scientific relations. [applause]

I would like to stress again the need for us to pay particular attention in the next decade, starting with the Ninth 5-Year Plan period, to developing international economic, technological, and scientific relations, and to perfecting cooperation and specialization with the other socialist countries within CEMA, with the developing countries, and with all countries in the world, regardless of their social system. We have to propose that, in the period of the next 5-year plan, our international economic exchanges will increase by 35-40 percent, and up to the year 2000 by about 80 percent, compared to the current 5-year plan period. Concurrently with the elimination of its foreign debt, Romania should firmly engage in the important activity of production sharing and should actively participate in establishing a new world economic-financial system, based on complete equity and equality, and mutual advantage. Proceeding from the program adopted, from the principles of self-management, self-administration, and self-financing, we should work to perfect economic-financial relations and see to it that each unit is based on complete self-financing, and achieve a balanced monetary circulation, in accordance with the level of development of our national economy and the programs for the socioeconomic activities, by introducing new and modern systems of [word indistinct] which should reduce monetary circulation to the minimum. We should increase the responsibility of financial bodies, increase financial control in all fields of activity, perfect the credit system, and take new measures in this direction. In recent years, we managed to substantially reduce the interest rate of the credits granted for various sectors of activity, and reality

has demonstrated that we acted correctly. At the same time, we will have to take firm measures in order to avoid requesting additional credits or to cover increasing expenses [word indistinct] of various socioeconomic enterprises and units. We will have to bear in mind that, for the additional credits requested, the back payment should be covered from the profit-sharing fund, and not from production stocks. We have to have the working people's collectives and the managerial collectives take measures that will avoid reducing the profit-sharing fund. In this respect, we will have to establish measures which will stimulate production activity and stop requests for credits. We believe that, in general, the system of managing the socioeconomic activity is in accordance with the current stage of development. We should permanently pay attention to perfecting and increasing the responsibility of all managerial bodies, to strengthening discipline and order, and to fulfilling tasks in the complex process of division of labor and of managing all sectors of activity.

In this respect, we must further perfect the activity of the Council of Ministers, of the council for the management of ministries and of the other central bodies, the central departments and enterprises, the working people's councils, and their management should take most responsible actions to appropriately fulfill the plans and programs and to strengthen order and discipline in all sectors of activity. Likewise, I believe that we should think of improving control, from top to bottom, on the way in which the plans and programs of socioeconomic development of our homeland are being fulfilled. It is necessary to increase the role of the State Council which, together with the Grand National Assembly should more intensely and efficiently control the activity of the ministries and of the other central bodies. Likewise, we should perfect the activity of the Council of Workers' Control and, in order to fulfill tasks in a more appropriate manner, we have to transfer the Inspectorate for Quality Control—as a matter of fact it has already been transferred—to the jurisdiction of the State Council and it should no longer be under the jurisdiction of central departments and enterprises. At the same time, we should clearly understand that the responsibility for the good quality products lies entirely with the working people in each enterprise. The State Planning Committee and the National Committee for Science and Technology, as central bodies, should perfect their activity of control on the way in which plans and programs for socioeconomic development are being fulfilled, and are to account for their activity to the Council of Ministers and to the Supreme Council for Socioeconomic Development, and to the State Council. It is necessary to improve the activity of control within ministries and central departments. It is necessary to start from the importance of increasing the role of the masses in carrying out control in all spheres of activity. We should ensure the appropriate operation of the workers' control commissions in enterprises and institutions of the civic control commission, so that the activity of all sectors should permanently be under the control of the working people and of the people, so that each person in his field of activity is completely responsible toward the democratic bodies, the party, and the people. [applause]

In the conditions of our socialist society, strengthening control from top to bottom is a very important factor in the activity of appropriately performing the entire workload and of ensuring the democratization and active participation in the management of all sectors and in the unswerving implementation of the plans and programs for the socioeconomic development of our fatherland, people, and the whole nation. [cheers, chants]

Esteemed comrades: our country's active population currently amounts to about 11 million people. Of our overall manpower, more than 10 million people are employed in the socialist sectors. The strong development of the forces of production, industry, agriculture, science, and other activities has created new jobs for everybody and for the yearly employment of young people in production. In the future, we will constantly pay attention to ensuring jobs for all valid citizens and the employment of the entire young generation.

Our socialist society is a society of free work. It is dutybound to ensure work for all citizens, regardless of the improvement and modernization of production processes and the increase in labor productivity. Ensuring jobs for all citizens is the basic obligation of our socialist society. I would like to emphasize that electronics and automation must be used as a means to better organize production and work and make people's work easier, not to eliminate them from the production activity and push them to the edge of society by turning them into unemployed. Therefore, it is necessary to organize the entire activity in such as way as to ensure that automation and electronics are not introduced in order to increase profits—as happens in the capitalist countries, where people are deprived of their supreme right to work—but rather in order to ensure ever better working and living conditions for all citizens. [cheers, chants]

This represents the true revolutionary humanism, which means that everything should be done for man, for the well-being and happiness of the people and nation. [cheers, chants]

In the efforts to improve the system of incentives and remuneration, in all spheres of activity we have proceeded and continue to proceed from the socialist principles of remuneration in accordance with work and from the socialist principle that says there should be no bread without work and no work without bread. I believe that nobody in our socialist society can and may have incomes without work, that nobody should obtain revenues from the exploitation and oppression of the work of others or from profiteering. The current labor organization system, which envisages level, class, and grade promotions on the basis of examinations, ensures good incentives for the people to further increase their level of professional and technical knowledge.

We have a correct ratio between various branches of activity and between large and small incomes, on the basis of the principles of socialist ethics. Currently the ratio between small and large remuneration is 1 to 4.6. We will have to improve this system, so that, in the coming 5-year plan we should practically ensure a 1 to 4.5 ratio between small and large remunerations (?probably) in the entire sector. We must bear in mind that the increase in the working people's remuneration and incomes should be closely linked with the development of the forces of production, the increase in labor productivity, and the growth of the technical and qualitative level of production, so as to continuously raise the people's material and intellectual living standard, in accordance with the increase in society's economic strength. [cheers, chants]

An important role in raising the people's living standard is played by social benefits, which have ceaselessly grown in the years of socialism, particularly after the Ninth RCP Congress. This year, social benefits amount to more than 15,000 lei per family, compared with 3,800 lei in 1965. We should proceed to commendably apply the overall global contract in all fields of activity. We should unswervingly apply the principle of socialist ethics and equity, by ensuring the increase in social benefits, in step with our fatherland's development and with the implementation of the program on building the comprehensively developed socialist society. These benefits should satisfy certain general requirements of all citizens, this being one of the ways of gradually proceeding to the implementation of the communist principles of work and life. [cheers, chants]

Esteemed comrades: I would like to talk about the need to unflinchingly implement the programs for territorial organization and systematization of our fatherland's localities. Earlier I referred to the need to consolidate and utilize the land stock rationally and judiciously and to protect the environment. Therefore, I would like to particularly dwell upon the activity to better organize the towns, communes, and villages in our country. About 52 percent of the our population live in towns. We have strongly developed housing construction, as well as the construction of social and cultural establishments. By 1995, we plan to generally resolve the housing problem for all inhabitants of our towns. By the year 2000, we aim at ensuring housing space of at least 14 square meters—together with facilities, 18-20 square meters—for each inhabitant. This will ensure good living conditions for all our fatherland's citizens. In rural areas, the peasantry and other village inhabitants have built houses which ensure good living conditions for themselves. As a matter of fact, there is no family without a dwelling, even though it may not necessarily ensure the best possible conditions.

As a result of the 1968 territorial-administrative organization, we ensured a more balanced development of all our fatherland's localities. Nationwide, we have 257 municipalities and towns, of which 54 have become towns in the past 20 years. In the rural areas, there are about 2,300 communes, each comprising several villages. During the process of industrialization and organization, there was a strong movement of people from communes and villages into city centers, particularly into the large cities. It is true that the regional development of the forces of production and the construction of thousands of enterprises and of new industrial platforms has slowed down this exodus and had a positive influence on stabilizing manpower, the people and their families, in smaller localities and communes. In spite of all this, many villages and communes were strongly depopulated. Therefore, resolute steps need to be taken to prevent the depopulation of rural localities and organize them on modern bases, by creating conditions to satisfy the inhabitants' requirements for a dignified and civilized life.

We aim at preserving the number of communes; in several counties, we also aim at developing several depopulated communal centers. In the next 5-year plan, we plan to strongly develop agriculture and certain industrial activities in all communes, particularly small-scale industry, which can ensure working conditions for all inhabitants of communes and villages.

At the same time, we will improve the 8-year schooling system and will introduce the first 2-year stage of the high school system in all communes, so that all children can finish the 10-year education program in their respective communes.

We will strongly develop the medicare system, with maternity and medical units which can provide urgent medical assistance. We will ensure the appropriate number of physicians with a permanent base in the communes, so as to reach the figure of one physician for every 900-1,000 inhabitants. More comprehensive medical services will be provided by town and county hospitals.

Likewise, we must improve the activity of the "Song to Romania" cultural and creative clubs and centers. We must ensure conditions for cultural and sports activities, and obviously also for trade and other activities which can ensure living conditions for commune and village inhabitants that are as much like those of city dwellers as possible. In the large communes, which have also housed joint agro-industrial councils for the past 15 years, we aim at creating new agro-industrial town centers which—aside from the facilities available to the communes—should also each have a hospital of 50-100 beds, a maternity unit, and a high school with the second stage; we will thus ensure conditions for generally introducing the 12-year educational system and developing more comprehensive industrial activities which cannot operate in each individual commune. In this respect, we will practically achieve a new system of about 550 new

agro-ndustrial towns, which will contribute to raising our living standard. As a matter of fact, an important number of these projects can already be considered as true agro-industrial towns.

Through the law of systematization and rational utilization of the land stock we decided to provide in rural areas some 200-300 square meters for dwellings and yards. We believe that we should establish as a principle that each family should own some 300 square meters for its dwelling, yard, and household activities. It is necessary, in accordance with law, to define more closely the perimeters of councils, communes, and villages and firmly apply the provisions of the law, which stipulate that nobody may build outside the building area. Citizens living outside the built-up area will continue to live in their houses. However, if they want to build new dwellings for themselves or their families, they should only do this within the perimeters designed for building activities. The state will grant planning and material support to would-be builders of their own dwellings who observe the systematization program. At the same time, for educational cadres, medicare personnel, and engineers and workers who do not have their own dwellings, the state will grant them [word indistinct] assistance in accordance with the systematization plan or will build dwellings for their needs.

We have already gained good experience in the last 20 years of [words indistinct]. Solving the problem of modern dwellings for the village inhabitants is an objective requirement. We proceed from the fact that socialism must create ever better living conditions for all inhabitants, regardless of differences, and that we cannot divide the country into two parts—a part with modern and developed towns and another part with delapidated dwellings and shanties. There is no doubt that satisfying the requirements of a civilized and modern life in the spirit of the humanism specific to our society will take a considerable time and steady efforts. However, we are firmly convinced that, together with the village inhabitants, we will gradually resolve this problem so that in the next decade we can make important progress along these lines, thus raising the general living standard of the village inhabitants and creating conditions for bringing the working and living conditions in towns and villages closer together and for eliminating essential differences between towns and villages. [cheers, chants]

The sooner we manage to speedily fulfill this historic task, the more will we raise our fatherland to a higher peak of material and intellectual civilization. We must always bear in mind that the solution of all these problems is an objective requirement for building the superior base of the comprehensively developed socialist society and creating conditions for a gradual transition to the golden dream of communism. [cheers, chants]

Esteemed comrades: in our entire activity we proceeded from the scientific thesis of building socialism with the people and for the people and from the fact that everything achieved by our society is done with the people and for the people and should contribute to further raising the whole nation's level of civilization and material and intellectual well-being. We considered and continue to believe that the broad development of democratic management forms and the participation of all social classes and categories and of the whole nation in running all branches of activity and working out our domestic and foreign policy are the key elements of building our society and new social order.

In this respect, we took steps to improve and strengthen the role of the state and its bodies in leading socioeconomic activity. Everybody knows that the state appeared at a certain point in the development of human society, namely, at the time of the emergence of social classes. The role of the state will be diminished and the state itself will gradually disappear with the disappearance of classes. Proceeding from this theoretical materialist-dialectical thesis, we believed and continue to believe that the state is preserving its role and will continue to maintain it for a long time in the socialist society and probably also in the first part of the communist society. The state will improve its role in accordance with the socioeconomic development and overall progress of society. We have improved and we attach great importance to improving the state's democratic bodies, the Grand National Assembly [GNA], the people's councils, and all the other bodies of our socialist state. We have broadly developed the system of elections of deputies to the GNA and the people's councils, whereby several candidates are competing for a deputy seat and these candidates are being appointed by mass, public, and social organizations and by working people's meetings. The true pluralism and the democratic nature of these bodies is ensured by the presence and participation of the direct representatives of the workers class, peasantry, intelligentsia, and all working people, without differences, in the GNA and the people's councils. This is how we ensure the election of deputies, both from the ranks of the RCP and from the ranks of other mass and public organizations, including the Socialist Democracy and Unity Organization.

As a matter of fact, the character of a state and of democracy itself is primarily determined by the leading classes in society and by the social system. Therefore, with the disappearance of the exploiting classes and of various national and social inequalities, the character of our state has also changed; it has truly become the state of working people, the state of socialist builders in Romania, and the state of the revolutionary workers democracy. [cheers, chants]

Along with the improvement and democratization of the activity of classical democratic bodies, we have also set up new democratic bodies, such as the working people's councils and their national and county-level bodies, which ensure the organized participation of all social classes and categories in working out our domestic and foreign policy. Once every 5 years we organize events such as the congress of working people from industry and

other sectors, with the participation of some 11,000 delegates, and the congress of peasantry and of working people in agriculture and other sectors, with a similar participation of some 11,000 delegates. These congresses elect to their national management councils some 1,200 - 1,500 members, which ensure the management of activities in the congresses. It is worthwhile to point out the fact that at least 60 percent of the members making up these congresses and the various working people's councils are workers, with an appropriate number of peasants.

The following events also take place every 5 years: the congress of science and education and the congress of socialist culture and education, with the participation of some 7,000 and 5,000 delegates, respectively; in view of the important role of the people's councils in ensuring the self-management and self-sufficiency of localities, every 5 years, after balloting and elections, the congress of people's councils is also convened, with the participation of some 7,000 delegates, who discuss basic problems of local and regional activity and of the Legislative Chamber—the parliament of people's councils—which functions between congresses and which decides on all laws concerning the activity of local bodies, general laws, and socioeconomic development plans. One can say without fear of being wrong, that with the establishment of these new democratic bodies, we have created a strong system of the direct revolutionary workers democracy, which ensures the broad participation of the workers class, peasantry, intelligentsia, other social categories, and all the people in working out our overall policy and socioeconomic development plans. [cheers, chants]

By acting in close unity, the state's democratic bodies and the new bodies of our revolutionary workers democracy represent a broad and unique framework for the people's self-assertion. This framework ensures that everything achieved in our fatherland is done with the people and for the people, and that the people participate in consciously shaping their own destiny and ensure their development and golden future, communism, in complete freedom and dignity. [cheers, chants]

In the entire socialist construction, particularly after the Ninth RCP Congress, we proceeded from regulating by law the entire organization and functioning of the state and of socioeconomic life in all fields of activity. The provisions of 1970... [Ceausescu corrects himself] 1965 are in full accordance with the current stage of the fatherland's development and ensure a broad democratic framework for participation of the whole nation in running society. Likewise, the laws that regulate the organization of the entire activity on the basis of self-management, self-administration, self-financing, and the democratic framework existing in all sectors are in accordance with the current stage of development.

However, we should always aim at improving the legislation of our workers revolutionary democracy, in order to enhance equal responsibility and order in all spheres of activity. We must totally eliminate all so-called [word indistinct], so that all fields operate on the basis of the law. Only thus will we be able to ensure order, discipline, and democracy. [cheers, chants]

It is necessary to firmly implement the principles of socialist ethics and equity, and to defend the socialist property of the whole nation, cooperative property, and the private property of each citizen in our country. We will have to take resolute steps against any manifestations of ignorance, embezzlement, and all types of theft of the overall wealth and from private property. Let us strengthen the sentiment of respect and responsibility for general and private property. We must reach the point when integrity, the defense of property and of the whole nation's wealth, and the spirit of justice become a defining feature of the new man, the conscious builder of the socialist and communist society. [cheers, chants]

In this respect, it is necessary to improve the penal code and the penal procedure code, in accordance with the new changes and realities in our fatherland. The bodies of our legal system and prosecutor's office must commendably fulfill their role and responsibilities in our society's development and in punishing all violations of the country's laws and all the norms of socialist ethics and equity. At the same time, they will have to see to it that nobody is tried and, what is more important, sentenced unjustly. Likewise, the bodies of the Ministry of Interior, the militia, and the security bodies must further improve their activity by acting in close correlation with the broad masses to defend order, socialist and private property, and ensure the tranquility of all citizens. The bodies of the Ministry of Interior and the public trial councils from all spheres of activity, which play a particular role in defending property and firmly promoting the norms of social coexistence, must become—in close cooperation with the legal and prosecutor's organs— a strong instrument of the whole nation's democratic justice.

The defense of socialist achievements and of the fatherland's independence and sovereignty is a vital requirement now, when the danger of war, aggression, and interference in the domestic affairs of other countries still persists. Proceeding from the revolutionary concept according to which the defense of the fatherland's integrity and independence is the task of the whole nation, we have paid and will continue to pay attention to improving and raising the combat and political training of our Armed Forces. We will continue to take firm steps to strengthen our fatherland's combat, political, and defense capability, in the belief that this is an integral part of building the comprehensively developed socialist society and advancing toward communism. [cheers, chants]

At the same time, we will strengthen cooperation with the armies of socialist countries of the Warsaw Pact for as long as it exists; however, we continue to believe that the development of our cooperation with the armies of

the socialist countries and other friendly armies should be a constant concern for us, in the struggle for peace, cooperation, and observance of each nation's right to free and independent development. [cheers, chants]

Esteemed comrades: I would like to briefly refer, in this framework, too, to the national problem and nationalities. As is well known, the nation also appeared at a certain stage of development, actually at the same time with the development of capitalism. The process of our nation's development took a longer time, due to the harsh conditions in which our people have developed. Socialism has ensured new conditions for the full assertion of the nation's (?character), which has become more comprehensive. As a matter of fact, the process of the formation of new nations has not yet come to a close. In many countries, many peoples are completing the process of their formation and organization as nations, and it seems that this process will last for a while, in close correlation with the uniform development of the forces of production, science, education, and culture.

Likewise, as is known, there are united national states and states in which several nations are coexisting on the basis of federal principles. As for our country, it is a united national state. The process of completing our national unity ended with Transylvania's union with Romania and the formation of the united national state on 1 December 1918. [cheers, chants]

The circumstances of historical development and foreign domination made people of various nationalities live side by side in our fatherland. This has led to a situation whereby Romania has Romanian citizens of various nationalities: Romanians, of course, as well as Hungarians, Germans, and other nationalities. Our party has always spoken out and acted against any kind of national discrimination and for the full equality of rights among all sons of the fatherland. Socialism has fully resolved, in a principled way, the problem of ensuring the full equality of rights for all sons of the fatherland, regardless of their national origin. [cheers, chants]

We believe that all Romania's citizens, regardless of their recent or more distant national origin, are citizens with equal rights and duties. They bear the common responsibility for unflinchingly implementing the program for socioeconomic development and for the construction of socialism and communism in Romania. [cheers, chants]

All working people and their representatives, regardless of differences, are working and acting shoulder to shoulder and in a spirit of close unity in all our democratic bodies from top to bottom, in the party, in mass and public organizations, and in the entire activity. The increase in the overall level of civilization and the creation of the best conditions for work, life, and education are equally ensured for all sons of the fatherland, in close correlation with the development of the forces of production and the overall progress of our socialist society.

The problems of raising the material and intellectual living standards of the working people and of each citizen are not and cannot be resolved unless we promote the country's overall development and increase the overall material and intellectual well-being of our people. I would like to point out with great satisfaction that this problem is properly understood by all all the working people in our country and by all our people, regardless of differences. [cheers, chants]

I referred to these problems in my general presentation because any kind of theoretical or practical misunderstanding of the national problem can have negative consequences. We must continue to take firm and consistent steps to unswervingly implement our party policy of the full equality and continuous growth of the material and intellectual living standard of the whole nation. Let us ensure that our people and all the fatherland's citizens, regardless of differences, can firmly march forward toward the disappearance of all kinds of differences. Without denying anybody's origin, let us act in full unity and create the united working people of socialist and communist Romania. This is an objective law of social development and of the golden future of mankind, hence of Romania, as well. [cheers, chants]

Esteemed comrades: the strong development of the forces of production, the great revolutionary changes, the construction of socialism, and the transition to building the comprehensively developed socialist society have wrought profound changes in our social structure. The exploiting classes—the bourgeoisie and the landlords— have vanished for good; we have thoroughly eliminated, forever, man's exploitation and oppression by man. [cheers, chants]

As a result of the strong development of industry, the workers class has continuously grown. The level of the working people's general knowledge and professional, technical, and cultural training has increased. Life, the true judge, strongly showed that the workers class has fulfilled and is honorably fulfilling its role as leading political class in the entire society. Today, it represents the strongest social force and, after the year 2000, it will continue to develop, both from a numerical viewpoint and particularly from the viewpoint of its general knowledge, as a result of generally introducing the 12-year education and raising its level of general, professional, and technical training. The workers class will thus come increasingly closer to meeting the requirements for an intellectual workers class. [cheers, chants]

The peasantry—although numerically less in number than before, as an important part of it became involved in industry and other sectors—has turned, as a result of

the cooperativization of agriculture, into a new social class, with a high level of general, professional, and cultural training; it continues to play an important role in the entire development of the Romanian socialist society. The peasantry will continue to raise its general, professional, and cultural level, thus becoming an increasingly more homogeneous social class which, in alliance with the workers class, will constitute the granite foundation of our socialist society.

Profound changes have also occurred in the ranks of the intelligentsia. As a result of the strong development of industry, agriculture, and other sectors of activity and as an outcome of the progress of science, education, and culture, the number of intellectuals has increased more than 10-fold. Workers, peasants, and other working categories have entered the ranks of our intelligentsia. Thus, one can justifiably say that the intelligentsia has turned into a new social category, closely linked with the workers class, peasantry, and all the people; it has become a strong social force, which plays an ever more important role in promoting the overall development of the forces of production, science, education, and culture and in raising the general level of knowledge and training of the whole nation. Therefore, one can say that the intelligentsia has become a part of the workers class and that the alliance between workers, peasants, and intellectuals represents today the granite force of our socialist society and a guarantee of our fatherland's development along the road of socialism and communism. [cheers, chants]

Other social categories have also developed and are acting in close correlation with the workers class and other social forces. One can say that Romania's current social structure is an expression of the great changes wrought in society's overall development and proves the correctness of the thesis according to which, in step with the implementation of the party program on paving the road for the transition toward communism, a continuous process of coming together between all social classes and categories will take place through the disappearance of differences between towns and villages, through the drawing closer of the levels of professional and technical training, through the mechanization, automation, and robotization of productive processes, and through the increase in the general level of training and culture. We will thus create the united working people, inspired by the same common strivings and interests to consciously build their free and independent future of well-being and happiness, ensure full equality of rights, assert the principles of socialist and communist equity and ethic, and ceaselessly raise our socialist fatherland to the highest peaks of progress and civilization.

Proceeding from the new social structure of our people, we are dutybound to do all we can to unswervingly implement the law-governed process of strengthening the workers class, peasantry, and intelligentsia, to bring them closer and enhance their unity, and ensure the homogeneous character of our socialist society. Only thus will we act as true revolutionaries and ensure the golden future of our socialist nation. [cheers, chants]

Esteemed comrades: the great revolutionary changes and the outstanding achievements in promoting the country's socioeconomic development and raising the people's material and intellectual level undeniably prove the correctness of the policy of the RCP, the leading political force of the entire nation.

In the long history of the Romanian people, the RCP is the only party which has put the general interests of the working people and of the whole nation above everything else. With the greatest possible sacrifice, the RCP has led the workers class, other progressive and democratic forces, and all the people in the revolution for national and social liberation and later in the socialist revolution as well as in the process of building the comprehensively developed socialist society. We can assert with justified pride that the RCP has proved throughout its activity that it represents the vital center emanating light and life-giving warmth and the most advanced consciousness of our people. [cheers, chants]

Life, the supreme judge, strongly shows that our party has creatively applied the general laws and socialist principles to realities and conditions prevailing in Romania. Throughout the period of socialist construction, particularly since the Ninth RCP Congress, our party has continuously developed and become a strong political force that is honorably fulfilling its role as political leader of the whole nation's destiny. Resolute steps were taken to perfect the party's organization, develop party democracy and the system of cadre promotions, improve the organization of the election of party bodies from top to bottom, and increase the responsibility and role of party bodies and organizations and of Communists in adopting all measures concerning Socialist Romania's domestic and foreign policy.

Proceeding from the fact that the basic party cadres should now become directly involved in implementing the party decisions and the country's laws, we introduced the principle of the accumulation of positions in the party-state and socioeconomic activity, while eliminating the accumulation of remunerations. We considered that the best party cadres must also become directly involved in running the state, economic, scientific, and social bodies, in order to implement the policy for the country's socioeconomic development, thus blending party work with management work in various sectors of activity. We proceeded from the fact that the party's leading role cannot and should not be exercised from the outside, but rather through the direct involvement of party members, beginning with the basic party cadres, in the work to promote the country's development.

Our more than 20 years of experience proves the correctness of this kind of activity, which has strongly enhanced the party's links with all socioeconomic sectors and the

broad masses. Today, our party has more than 3,700,000 members, of whom 55 percent are workers; this shows that our party continues to be and must remain a party of the workers class, the most advanced social force in our society. [cheers, chants]

We should take resolute steps to further increase the party's leading role in all sectors of activity. We consider as totally erroneous and damaging the thesis according to which the party must not bear direct responsibility for the fulfillment of socioeconomic plans and programs and it should let socioeconomic sectors and units follow their best judgment; actually it is a liquidatorist [lichidatorista] thesis, which will eventually lead and is bound to lead to the weakening of the party, thus jeopardizing socialist construction itself. If the party is no longer assuming responsibility for implementing its own program on building socialism and communism, one can justifiably ask: What is the role party and is it still necessary? The gap left by the party will cause a void in the sociopolitical life, which will be undoubtedly filled by other political forces. No, the party cannot give up its role as leading political force in the socialist construction. It cannot share its role with—let alone pass it on to—somebody else, without disappearing sooner or later. That is why we should take resolute steps against any liquidatorist trends of weakening the party's role. Let us do everything to strengthen the party, its political, ideological, and organizational unity, and its leading political role in all fields of activity and the entire society. Only thus will we act as truly revolutionary Communists and fulfill our duties toward the workers class, the whole nation, and the free and independent future of our nation and Socialist Romania. [cheers, chants]

We must never forget that, only to the extent that our party takes vigorous steps to implement the program on building the comprehensively developed socialist society and advancing toward communism, do we have the guarantee of successfully fulfilling this program. The increase in the responsibility of state bodies, of the revolutionary workers democracy bodies, and of the working people's collectives does not clash with the increase in the party's leading role and does not amount to a weakening of the party's leading role. On the contrary, the development of democracy requires as an objective prerequisite to intensify the party's activity and increase the responsibility of the party cadres and aktiv and of all Communists in all spheres, in order to ensure the proper functioning of these bodies.

As specified in the party statutes, the party bodies should not replace the state bodies or other democratic organs. However, one should ensure their proper functioning, so that they can fulfill their duties and play their role in running various fields of activity. The Communist and party cadres must answer to party bodies and organizations for their activity in all areas. At the same time, they must also account for their activity to their own organs, and must bear all responsibility before the people.

The correct and dialectical blending of the party's role with the greater responsibility and role of state and democratic bodies, and of the broad masses is a decisive element for strengthening our people's unity and action, and for ensuring that the party fulfills its historical mission as the political leader, vital force, and center of the whole nation. [cheers, chants]

At the same time, it is necessary to work with great determination to implement the party decisions and the country's laws on the training and promotion of cadres. We must constantly take into consideration the need to promote from among the ranks of the workers class, the peasantry, and intellectuals, and further activists who have a good overall professional, technical, scientific, and ideological training. In the future, we must work in such a manner that basic cadres, the party aktiv, including the state aktiv, and the aktiv of democratic and social bodies in all sectors originate from and are closely linked with the workers class, the peasantry, the intellectuals, and the social classes and categories that represent the basic forces of our society.

Only in this way will we have truly revolutionary cadres and activists, who are closely linked with the working people, with all our people, and who will work in a revolutionary spirit and always do all they can for the cause of socialism, to improve the material and cultural standard of living of our people, and to strengthen Romania's independence and sovereignty. [cheers, chants]

We have positive provisions regarding the system of selecting, training, and promoting the (?consultation) cadres of the party organizations, the working people, and regarding the activists and cadres who are to be promoted. The system of several candidacies, minimum of three candidates, for the selection of leadership cadres by competition and other means, including trial periods for a certain job, ensures both the selection of the best cadres and activists, as well as a constant control by the party and the working people over those who are being promoted.

It is necessary to firmly apply the party and state control provisions. We must pay greater attention to the way in which cadres are promoted, to their training, and to constantly improving their professional, technical, scientific, cultural, and political-ideological knowledge. We must do all we can to preserve and develop the revolutionary spirit of responsibility that rests on all cadres and activists.

Let us strengthen the critical and self-critical spirit and let us constantly broaden the party's internal democracy as an intrinsic part of workers revolutionary democracy. The party bodies and organizations, the committees and bureaus of mass organizations, the [word indistinct] party committee, the communal, town, and county party committees must unite the efforts of the Communists and of all working people to unflinchingly implement the

party decisions and the country's laws. All activities of the party bodies must be permeated by a revolutionary spirit, a sense of great responsibility in work, concern for the working people, and by the determination to constantly serve the cause of socialism and the people.

We must see to it that our party will continue to play its role as the leading political force under the most favorable conditions. Each activist and each party member must work with great responsibility to strengthen the force and unity of our party—the supreme guarantee of our homeland's progress toward the golden dream. [cheers, chants]

The application of local self-management and self-sufficiency requires a constant increase in the responsibility of people's councils for the proper management of cities and communes, and in strengthening relations with the working people's masses with the active participation of all citizens in the proper management of all localities.

Therefore, decisive measures are necessary to improve and perfect the activity of people's councils as the broadest state bodies, which must work, under all circumstances, in close cooperation and complete unity with all the working people and with all our people, in accordance with the law of building socialism for the people and with the people. [applause]

Esteemed comrades: the political-educational activity of molding the new man with a high revolutionary and socialist awareness is one of the questions of particular importance in the current stage of development of our socialist society. We have attained great achievements for instance through the general application of the 10-year education and the transition to the 12-year education in the years to come. The vigorous development of higher education, the various forms of training and of improving scientific-technical knowledge, the party instruction, including the mass political instruction, which encompasses millions of party members and nonparty members have played and continue to play a great role in all activities aimed at improving knowledge and the general level of knowledge of activists and of all working people.

Despite all this, as I have emphasized in the April theses, a certain lag can be noted in the general ideological, political, and educational level compared with the development of the relations and forces of production, and the development of our socialist society in general.

If in the first year of socialist construction the political-educational and propaganda activity played a very important role in mobilizing the peoples' masses and all our people to overcome difficulties and to ensure our country's progress, gradually this activity weakened to a certain extent. We concentrated our forces on implementing the programs for developing the forces of production, science, technology, and for developing our homeland in general. The political-educational activity of improving the revolutionary awareness of the Communists, of the members of mass and civic organizations, and of peoples' masses in general is being underrated to a certain extent.

Although the Ninth RCP Congress report emphasized the need to intensify the ideological activity in order to better understand the great shifts and changes in society, and to establish our goals put forward by our party in keeping with these realities, we cannot say that throughout the years everything has been done in this direction. A certain erroneous concept has emerged according to which—considering that we have attained noteworthy achievements—we do not need to carry out a broad propaganda and political-ideological activity. The party's ideological program in 1982 drew attention to certain ideological and theoretical problems, and to some specific problems in our educational activity.

However, this was not well understood. No determined action was taken in the spirit of the historic theses and general guidelines for the party activity in the new stage of our society's development. We have positive results in the literary and artistic activity, in plastic arts, in music, in theater, and in all political-educational and cultural activity. Despite all this we cannot be completely satisfied with the general standard of work to be accomplished in the various sectors of the cultural-artistic activity.

I am dealing briefly with all this in order to draw attention to the need to speedily eliminate certain lags and to raise the standard of the ideological and political-educational activity in all areas in keeping with the requirements of the new stage that has been reached in Romania.

Great changes have occurred in the balance of forces and in relations between classes and peoples in our country, in the socialist countries, and throughout the world. The tremendous development of science and technology and the broadening of the horizon of general knowledge in all areas require a scientific study of current development problems and, on this basis, of the principles of scientific socialism, and of the general dialectical-materialist concept about the world. We should not resort to dictates and theses formulated during other historic stages. The general objective laws and the principles of scientific socialism are not a dogma, but rather a guideline in developing—under the new conditions—the revolutionary theory closely linked with the new stage and with realities, while constantly preserving the revolutionary concept and spirit in all activities.

Our ideological activity must provide clear answers to the essential problems of socialism, to the contradiction between capitalism and socialism, and to the contradictions between the Third World and the developed capitalist countries. It is very obvious that, although capitalism has still large resources and a great potential, it has proved unable to solve the basic problems of peoples and

of peace. Under no circumstances should we forget that the capitalist system will have to make room for the new socialist system. This constitutes a law of the development of humanity.

At the same time, we must vigorously stress that in a relatively short time socialism, that was built under differing conditions from one country to another—by taking account of the general low socioeconomic development level from which these countries set out—has demonstrated its force and potential, despite all the shortfalls and mistakes in various countries. Life and facts have demonstrated that socialism has solved and can solve, in a new and better way, the vital problems of work and life of the peoples' masses, of peoples, and of safeguarding peace in the world. [applause]

On this basis, starting from the overall history of the development of the Romanian society, we must clearly stress that the transition of humanity toward socialism is the only way to solve the complicated problems of the present-day world, to ensure social progress, the well-being of peoples, and to promote a policy of peace and equal cooperation among all nations in the world. [applause]

It is also necessary to stress that the transition to socialism, in one country or another, must be achieved in keeping with the level of development and specific conditions in each country, and that there is no and cannot be any model in this respect. The generally valid laws, which have to be taken into consideration by all means, prove that socialism can only be the result of the struggle of the workers class and of the revolutionary and progressive forces of each people. Socialism cannot be imposed from outside as it also must be stressed that it cannot be stopped through counterrevolution; nothing can stop the peoples' victorious march forward toward the society without classes, toward socialism and communism. [applause]

No one can stop history and mankind's progress on the path of progress and of building a better and more just world in which each people will be able to develop freely and independently as it desires, without any outside interference. A thorough study is necessary on the action of objective laws in the general development process under the specific conditions of socialist construction and of the realities in a given country.

Within this framework, we must emphasize vigorously that we should not permit the random development of socialism, that the perfecting of socialist construction, the application of the objective laws and of the principles of self-management, self-administration, and self-financing must not weaken or diminish the role of the ownership of the whole people and cooperative ownership, but strengthen its role. It is necessary to thoroughly examine the problems of material incentive and of the just blending of general interests with private interests by starting from the need to ensure the general development of the society, a decisive precondition for improving the standard of living, so that the interests of each working man and of each citizen can be met closely linked with development in general.

It is also necessary to vigorously emphasize that socialism is being built under various conditions from one country to another in keeping with the specific conditions in each country and this requires a proper understanding of things and the application in practice of general laws by starting from the dialectical relationship between what is general and specific and from the application and perfecting of the socialist principles of ownership and material incentive.

Any improvement in the economic principles and in the socioeconomic leadership must ensure the development of society on socialist bases. By no means should we open the path to capitalist forms, which will seriously affect future development, the construction of socialism, the well-being of peoples, and their independence.

There are many theoretical problems to be tackled by our party and state cadres, by those active in the area of ideological activity and social sciences, by the basic cadres of our party, and by our whole party. They should become vigorously involved in studying and correctly understanding these problems regarding the development of new conditions and the (?theory) and practice of socialist construction.

The higher we raise the ideological level and the level of knowledge and the better we understand changes in society and in the world, the more we will be able to develop the revolutionary concept, the spirit of action, and the organizational and practical activity of implementing our general policy.

Let us do what we can and, in a short period, turn theoretical and ideological activity into a strong force that shines like a bright beacon and lights the road toward communism and toward a world in which people are masters of their destinies. [cheers, chants]

Esteemed comrades: we must intensify the political, educational, and cultural activity and increase the revolutionary awareness of all working people. We should put emphasis on the new discoveries in science, technology, and in the area of human knowledge in general, by proceeding from the scientific concept about the world and life and from dialectical and historical materialism. We should perfect educational activity from the point of view of general, technical, and scientific knowledge and of the revolutionary concept about the world and life.

We should improve the party and mass education, and create new forms of developing scientific knowledge about the world and life. We live in a time of great scientific and technological discoveries in all fields of activity and in the field of general human knowledge. We must properly understand that, only if we arm the young

people, the working people, and our whole nation with the ever new discoveries of science and knowledge, will we be able to raise the general level of training of the builders of socialism in our country. We have a strong material and scientific base and, above all, in our whole activity we are guided by a scientific and revolutionary concept. The general policy and the official theses of our party are—and must be—a major factor in our overall political and educational activity. Throughout the history of our people, there have been many advanced people who made a great contribution to the development of science and technology, and there were moments when they were in the first ranks. Now, when we are traveling toward a new stage in the development of our socialist society, we should be aware that there is an objective requirement to increase the general level of knowledge and particularly to see to it that our whole nation is armed with the latest discoveries of science and technology, and of general human knowledge. Only on the basis of the most advanced scientific and technical discoveries will we be able to establish a superior society from every point of view. As I stated at the opening of the academic year in Timisoara, we should focus on increasing research activity, the activity to raise the professional and cultural levels, and the activity to arm our working people and our whole nation with advanced levels of scientific and ideological knowledge. We should become a strong power in the field of science and technology and a nation that knows how to work consciously with the utmost responsibility and in a revolutionary spirit, in order to fulfill the objectives of its development and, at the same time, we should become a nation that makes a contribution to the general development of world science and knowledge. [applause]

The national "Song to Romania" festival plays an important role in all this activity and it has changed into a strong movement of scientific, technical, cultural, artistic, and mass creativity. This festival has made it possible for several thousand young people in towns and villages to participate actively in this activity to raise the general culture to superior levels. The results of this activity once again point out the role played by the masses and by people, as the true creators of culture and the forgers of the overall development of our homeland. We should perfect and give new scope to the creative activity of the national "Song to Romania" festival. In this respect, we should better organize the activity of technical and scientific creation, and the activity in other areas such as theaters, houses of culture, clubs, homes of culture, and in all the educational and cultural centers of the "Song to Romania" festival.

Literary and artistic creation should produce new works that reflect the glorious activity of our people. We need new novels, new plays, and new poems in which the main heroes are workers, peasants, and the intelligentsia, with their concerns and with their wishes for progress and well-being, and with their determination to contribute to the construction of socialism and communism in Romania. [applause]

How wonderful are the achievements of the builders of socialism in all areas. The writers and the creators of our homeland should be inspired by these concerns, in which there are many contradictions, too, and through which many wishes are expressed; the life and work of our people should be their perennial source of inspiration. The true creators and artists should receive inspiration from this perennial and always vivid source and, with their whole activity, they should serve socialist construction, the people, and their bright future—communism. [applause]

We need new revolutionary and patriotic songs which are inspired from life and from the everlasting musical spirit of our people. We need new works in the field of plastic arts and, in general, creative activity should engage with all its forces in achieving improvement in our people's general cultural level and their level of scientific knowledge. We need better movies and plays with a combat and revolutionary spirit. Our whole literary and artistic activity, in all its forms, should point out the force and the creative ability of our people, should condemn negative states of affairs and shortfalls, should give new prospects for and confidence in the creative forces of our people, should make a contribution to uniting the efforts of all the builders of socialism and to strengthening the unity of our people around the party, within the organization of workers democracy and socialist unity, and should contribute to the strengthening the general power of our homeland, and to raising Romania to new peaks of progress and civilization. [applause]

Press, television, and radio should more appropriately fulfill their important role in discussing the complex problems of developing our society. They should discuss various problems in a critical and self-critical manner and should perfect discussions in a democratic framework for making decisions. Within the rostrum of democracy, people should give their opinions on all the issues concerning the development of our society. All these means must have an increasingly active role in eliminating shortfalls and in fighting negative states of affairs, in perfecting the whole activity, and in promoting new things, as one of the revolutionary requirements of our moving forward. In general, in our political-educational work of molding the revolutionary awareness, we should adopt a more decisive attitude toward various manifestations which are vestiges of the past. We should fight retrograde concepts, nationalism, chauvinism, mysticism, obscurantism, and backwardness in general, egoism, laziness, including some dishonest manifestations of dipping [word indistinct]—so to say—in the wealth of the people and of the cooperatives, or in personal wealth. Developing a spirit of honesty and humanness and of defending the general wealth should be one of the permanent objectives of the political activity of moulding the revolutionary awareness of the new type of man. We should educate our children and the young people of our homeland in the spirit of honesty and humanness and respect for socialist and cooperatist

property of the whole nation and for general wealth. We should firmly fight everything that is alien to our concept about the world and life, of socialist equity and equality. Even if such manifestations are rare, they should not be overlooked. We should strive and take such actions as to completely eliminate them from our society. We should develop the spirit of brotherhood, friendship, and militant solidarity among all the working people in our homeland regardless of nationality. At the same time, we should greatly develop the spirit of friendship and solidarity with the working people and with people everywhere in their struggle for peace, disarmament, socioeconomic progress, and for relations of full equality among nations, for a better and a more just world. [applause]

Let us see to it that in the shortest time possible, the ideological, theoretical, political, and educational activity and the shaping of new type of man becomes a stronger force and plays a more important role in the whole work of building the new social system. Under all circumstances we should act as true revolutionaries. Let us see to it that our whole party and all the the mass and civic organizations work in the spirit of revolutionary responsibility for the general interest and for the cause of socialism and communism in Romania. [cheers, chants]

At the same time, we should take more determined actions with a view to improving the activity of trade unions, of the Union of Communist Youth, of the women's organization, of the Pioneers and Fatherland Falcons of the homeland organizations, and of all the other mass and civic organizations. We should improve and perfect the activity of the socialist democracy and Unity Organization, which includes among its ranks more than 4 million working people who are not RCP members but who work within this organization in close cooperation with the party organization, under the party leadership, and which represents an important factor in the whole socioeconomic life of our country. All working people and all the social categories are included in trade unions, youth organizations, in the socialist democracy and Unity Organization, and in the other civic and mass organization. If we add to all this the Pioneers and Fatherland Falcons of the homeland organizations, we can state that the whole nation is included in one form or another of organization which works toward achieving the strategic objectives of our homeland's development.

All these organizations are united within the Socialist Democracy and Unity Front which represents the sociopolitical forum that rallies all political forces, all social categories, and all citizens in our homeland, without any difference, within an extensive front of creative work for socialism and thus for the well-being and happiness of the people and for the greatness and constant elevation of Romania to new heights of civilization.

The constant strengthening of the unity of all our people ensures the participation of all the forces that make up this large democratic forum in formulating and implementing the party's domestic and foreign policy, and constitutes the supreme guarantee for our homeland's progress on the path of socialism and communism, and for constantly strengthening Romania's independence and sovereignty. [cheers, chants]

Esteemed comrades: In international activity, our party and state have always moved from the interdependence and dialectical unity between domestic and foreign policy and from the fact that, in order to fulfill their plans and programs for socioeconomic development, our people, as in fact all peoples throughout the world, need peace and broad international cooperation. In the spirit of this principled orientation, especially in the wake of the Ninth RCP Congress, our country carried out an active foreign policy of participating in the solution of complex world problems and in the struggle for disarmament, peace, and broad cooperation with all states in the world, irrespective of nationality.

Life and events have fully confirmed the correctness of our party's and states's international activity. One can say that in this period there have been no important events in the international arena, without Romania acting or making an active and positive contribution to solving them. We have actively supported the just national liberation of some peoples and the consolidation of the independence of states that won their independence after World War II. Generally speaking, great changes and revolutionary transformations have occurred in the world arena. One can say that colonialist domination has been liquidated. New principles of interstate relations affirmed themselves. The Nonaligned Movement, the developing countries' movement, and other international bodies have emerged and vigorously developed; they play an increasingly greater role in the world arena in solving the complicated problems of the present-day world.

In this period, more and more states have embarked on socialist construction and on the path of independent socioeconomic development. In accordance with the basic socialist principles of its international policy, Romania is broadly expanding its political, economic, and scientific-technical relations with all states in the world, irrespective of social system. At this time, our country maintains diplomatic, economic, and other relations with 150 states. It has broad international economic and scientific-technical cooperation relations. In the past 20 years [words indistinct] our foreign trade increased some 9 times over, while our exports increased more than 10 times over.

Throughout this period we have firmly worked to develop relations with all states on the basis of the principles of full equality of rights, respect for national independence and sovereignty, noninterference in domestic affairs and mutual advantage, respect for each people's right to freely choose its own road of socioeconomic development, without any outside interference.

We have broadly developed relations with all socialist countries by consistently working toward strengthening their unity and cooperation, in the belief that this is an objective requirement and basic need for their assertion in the international arena, for strengthening the forces of socialism, and for increasing the role of the socialist countries in the struggle for peace and international cooperation. We have developed and continue to broadly develop relations with the developing countries, with the nonaligned countries, and in general with all medium-sized and small states, considering that they play an increasingly greater role in solving the great conflicts [Ceausescu corrects himself] the great and complicated world problems and in promoting the policy of independence and peace. At the same time, we have developed and continue to develop broad relations with the developed capitalist countries in the spirit of peaceful construction and coexistence.

We participate actively in the international division of labor, in the exchange of material and cultural assets, in the belief that the development of relations with all states in the world is an intrinsic part of our homeland's domestic and foreign policy, of the policy of peace and cooperation, and of building a better and more just world on our planet. [applause]

Esteemed comrades: one of the basic characteristics of our epoch is the accentuation of the division of the world into two diametrically opposed groups: rich and poor. At both the national and the international level, as a result of the imperialist and neocolonialist policy and because of supranational monopolies and international financial capital, the gap between the rich and poor countries has widened even more in the past 10 years. The great majority of world states have become increasingly poorer, while a small number of developed countries have become constantly richer.

The contradiction between rich and poor countries has sharpened [word indistinct], which, in fact, has become the sharpest basic contradiction of the present-day world. At the same time, at a national level a process of accumulation of riches by an increasingly limited group of people has taken place in the capitalist countries, which have become even richer, while the number of poor, for whom not even minimum elementary working and living conditions are guaranteed, is constantly increasing.

This has led to the division of society into two diametrically opposed groups: at the one end the poor, whose number has increased and tends to continue to increase, while at the other end there is an increasingly smaller number of rich who have accumulated ever greater riches and continue to do so. All this accentuates the general world crisis and instability in the international arena.

Generally speaking, profound revolutionary social and national changes have taken place and continue to take place in the international arena. This has brought about great changes in the world balance of forces, between two main tendencies: the tendency toward detente, disarmament, and peace and the tendency toward preserving tension and continuing the policy of war, force, and dictate. It can be said that these two tendencies have reached a relative balance of forces which makes the world situation particularly complex and contradictory. This is why it is necessary that everything be done to strengthen and develop the trend toward detente, disarmament, and peace as an objective requirement for a new and realistic policy in the international arena.

In the past years a positive step has been taken on the road to disarmament through the conclusion of the agreement between the Soviet Union and the United States of America on the elimination of the intermediate-range missiles, through the political solution to certain conflicts, and through the intensification of negotiations to solve certain complex problems through negotiations.

Despite all this, we must frankly say that the world situation continues to be complicated and serious. No radical change has occurred in the international arena yet. The policy of detente and cooperation has not affirmed itself vigorously. Stockpiles of nuclear weapons are still preserved, which can destroy mankind several times over. Action is being taken to modernize and perfect certain nuclear weapons; nuclear testing and the policy of militarizing outer space continue as does the policy of force, dictate, and interference in the affairs of other states.

This is why we believe that the situation on earth continues to be particularly serious. Therefore, we must work with great determination and firmness and in close unity with the realistic and anti-imperialist forces, and with all peoples, toward a new and democratic policy of peace, disarmament, and equal cooperation among all states in the world. [cheers, chants]

It is more than ever necessary to do everything possible to guarantee peoples' right to life, existence, freedom, and independence. It is necessary to reach a general agreement because, given the existence of nuclear weapons, there is only one way and only one policy: completely refraining from the use of force and of war, and achieving a new thinking and a new democratic policy that will exclude force and war from the international arena.

Starting from the current serious situation, we believe that it is necessary to work with great determination to achieve the accord between the Soviet Union and the United States of America regarding the 50-percent reduction of strategical weapons. The modernization and improvement of existing nuclear weapons must be

completely renounced, as must the production of new nuclear weapons. It is necessary for all states to renounce nuclear testing and the policy of militarizing outer space.

We also advocate a general accord between the Soviet Union and the United States of America, with the participation of all states possessing nuclear weapons and the other non-nuclear states which are interested in the problem of eliminating nuclear weapons and in achieving a general accord aimed the gradual elimination of all nuclear weapons.

We are also for a general accord that will ban the use of outer space for military purposes and that will establish that it will be used solely for peaceful purposes under appropriate supervision. In close connection with this, we believe that it is very important and it is also necessary to achieve a general accord on protecting the environment and outer space, and on protecting and preserving the conditions of life on both the earth and in outer space.

It is also necessary to move, in the shortest time possible, towards negotiations on reducing conventional weapons in Europe and throughout the world. At the same time, it is necessary to intensify the activity aimed at eliminating chemical weapons and other weapons of mass destruction as an intrinsic part of completely eliminating nuclear weapons and radically reducing conventional weapons.

An important role in this respect is played by the initiation of negotiations between the Warsaw Pact and NATO countries regarding the reduction of conventional weapons and of military expenditures in Europe, with the participation of all states on our continent.

We believe that the proposals of the Warsaw Pact countries in this respect demonstrate the will and determination of those states to work toward a substantial reduction of conventional weapons and of military expenditures.

At the same time, Romania firmly advocates the simultaneous dismantling of both the Warsaw Pact and NATO, in the belief that military pacts offer no guarantee, on the contrary, their existence only aggravates the international situation.

Romania advocates the conclusion of the Vienna Conference on Confidence, Disarmament, and Cooperation with the best of results, contributing to the development of economic, scientific-technical, and other relations among all states, to the achievement of a united Europe of peace and cooperation based on the diversity of social systems, to strengthening the independence and sovereignty of each people, and to the socioeconomic progress of all European nations.

At the same time, Romania advocates the development and strengthening of cooperation among all Balkan countries; it is in favor of turning this area into an area without nuclear and chemical weapons, and without foreign military bases, an area of peaceful cooperation and good-neighborliness. Other neighboring countries could also participate in achieving these goals [words indistinct]. We also advocate the achievement of such areas in central Europe, in northern Europe, and on other continents.

Esteemed comrades: Romania has advocated and continues to advocate the solution of conflicts and disputes solely by negotiations and peaceful means. Life has demonstrated that no matter how long these negotiations are, this is the only way to solve problems in a lasting way, and the only alternative to military operations and to force.

We have always advocated a political solution to the situation in the Middle East and a lasting and just peace in that area, a peace that will ensure the right to self-determination of the Palestinian people, including the creation of an independent Palestinian state, and the security and integrity of all states in that area, including Israel.

Our country welcomed and recognized the new Palestinian State, considering the decision of the Palestinian National Council on the proclamation of the new, independent Palestinian State as a particularly important decision which paves the way on the road to a just solution to the Palestinian problem. Of particular importance in this respect is the recognition of the UN resolutions, including the existence of the State of Israel. Thus, better conditions would be created for holding an international conference on Middle East problems.

As far as Romania is concerned, consistent with the policy promoted so far, it will continue to work to solve all problems through negotiations and it will support the achievement of the Palestinian people's aspirations to live in a free, democratic, and independent state by cooperating with its neighboring countries.

We welcomed the end of the war between Iraq and Iran and we express the hope that both sides will do all they can to reach a final settlement (?and a lasting peace) between the two countries. In this spirit, our country values current talks and negotiations on reaching a political and negotiated solution to certain conflicts and states of tension in Africa, Asia, and Central America. We believe that this is to the benefit of the respective peoples and the cause of peace and security for all countries. Romania will continue to strongly support the struggle of nations for eliminating all forms of colonialism and neocolonialism, promoting national independence, and ensuring the free and independent assertion of each nation. [cheers, chants]

We firmly condemn the racist and apartheid policy in South Africa and speak out for eliminating this policy as soon as possible and ensuring the right of the majority people of South Africa to participate in the entire political and economic life on an equal footing.

Esteemed comrades: it is well known that the gaps between rich and poor countries have increased in recent years. Scores of billions of dollars from the developing countries are being taken over, year by year, under various forms, by the developed countries, thus further worsening the poverty of these countries and deepening the gaps between rich and poor. Romania believes that one should put an end to the current economic-financial international situation, particularly to the policy of impoverishing the developing countries. One should take steps to find an overall solution to the foreign debt problems and establish a new world economic order, based on relations of full equality and equity among states, which can ensure the faster progress of all states, particularly of those lagging behind. In this respect, it is necessary to organize an international conference within the United Nations, with the equal participation of the developing and developed countries, in order to reach appropriate agreements on eliminating underdevelopment and creating a new world economic order.

In view of the complicated problems of today's world and the prevailing socioeconomic and political crisis and proceeding from the humanitarian principles of ensuring ever better working and living conditions for all citizens of a given country, we believe that all countries should adopt appropriate measures along these lines. In this respect, we believe that a general agreement should be concluded on guaranteeing minimum incomes for all citizens, differentiated in accordance with regions, which can ensure appropriate nourishment, clothes, housing, education, and everything required for a dignified life. One should limit the incomes of rich countries, thus ensuring an equitable and rational balance between small and large incomes of states, regardless of the social system in a given state. We believe that, setting out from humanitarian interests, particular attention should be paid to and a special program should be worked out to fully utilize manpower, eliminate unemployment, and ensure the appropriate professional, technical, cultural, and scientific training of the working people, particularly the young generation. Likewise, a special program should be developed in order to resolve, for example until the year 2000, the housing problems of citizens in all countries. At the same time, one should adopt a special program to combat terrorism and the root causes of this phenomenon. One should also adopt a special program against drug consumption, which has become a great danger, particularly for young people. In this framework, resolute steps should be taken against those who have turned the drug trade into a means of enriching themselves, while destroying the health of millions of people, particularly millions of young people. Generally speaking, I believe that overall measures should be adopted to ensure broad cooperation among all states in solving the complicated problems of today's world—disarmament, eliminating underdevelopment, and other grave social and (?political) problems—thus creating ever better working and living conditions for all citizens in all countries and for all nations on our planet. Only thus can we meet the current and future requirements of the human society and act in the spirit of the new thinking and policy, in which man and his well-being, happiness, freedom, independence, and peace are the main factor and the basic consideration of each state's policy. [cheers, chants]

The solution of the great and complicated problems of today's world requires the active and fully equal participation of all states in the international life, particularly the small and medium-sized countries and the nonaligned countries, which represent the great majority of the world and are directly interested in a policy of peace, independence, and broad international cooperation. One should proceed from the fact that the political and socioeconomic problems as well as disarmament and peace cannot be solved by the two superpowers or by several states alone; all states, regardless of differences, should participate in their resolution. As a matter of fact, this is a prerequisite of the new thinking and policy in the international life.

At the same time, one should further increase the role of the United Nations and other international bodies as well as the participation of all states in democratically resolving world problems and ensuring the peace and progress of the whole mankind. As far as it is concerned, Romania will continue to actively participate in the efforts to bring about disarmament, security, and peace and will further expand cooperation with all states, with the democratic forces everywhere, and with all nations in the world in the struggle for a new policy, for disarmament and peace, and for a better and more just world, which can ensure the free and independent development of each nation and the well-being and progress of the whole mankind. [cheers, chants]

Esteemed comrades: the development of the revolutionary workers movement in our fatherland is the law-governed result of the development of the forces of production and the appearance of the workers class on the historical scene. As a matter of fact, the first socialist formations, the Social Democratic Workers Party of Romania, and then the RCP have had their roots in the everlasting struggle of the people and revolutionary forces in our country. From the very beginning, they acted in the spirit of our people's highest traditions of progress and independence. At the same time, the socialist workers movement and the RCP have established lasting links with socialist revolutionary movements and communist parties from other countries and have always worked to strengthen revolutionary solidarity in the struggle against exploitation and oppression, for a new social system, and for peace and progress throughout the world.

Since the beginning of the first presocialist circles in our country, relations of solidarity and cooperation were established with socialist and progressive workers circles in various countries. The Romanian socialists maintained active relations with the creators of scientific socialism—Marx, Engels, and other revolutionaries. The Romanian revolutionaries participated in the activity of the First International and then of the Second International and took active part in the various international meetings and congresses. In the spirit of international solidarity, many Romanian revolutionaries were present on the barricades of the Paris Commune; likewise, the Romanian revolutionaries maintained links with Lenin and various revolutionaries from Russia and other neighboring countries. A vivid page of the international solidarity spirit of our country's proletariat, broad masses, and revolutionary movement is the organization of revolutionary groups which participated with arms in the struggle for the victory of the Great October Socialist Revolution.

With the founding of the RCP, broad relations were developed with other communist and workers parties and with revolutionary movements from other countries. In the harsh underground years, our party manifested full solidarity with the revolutionary struggle of the workers class, under the leadership of the Communist Party. It organized the participation of Romanian voluntaries in the struggles to defend republican Spain. During World War II, many Romanian antifascist communists and patriots made common cause with the peoples of Yugoslavia, Poland, Greece, Austria, Albania, and other countries occupied by the Hitlerites. Many Romanian communists and patriots entered their names entered their names in the chronicle of antifascist resistance; they were present in the detachments of partisans in France, Czechoslovakia, Greece, and other countries. We can state with justified pride that the Romanian revolutionaries and the patriotic, revolutionary, and progressive forces in Romania have honorably fulfilled their duty toward their own people and the overall cause of the revolutionary struggle for progress and peace, against fascism and war, for democracy and socialism. [cheers, chants]

After the victory of the revolution for social and national liberation and the transition to socialist construction in our fatherland, our Communist Party has developed, in the newly created conditions, active ties with all communist and workers parties in socialist countries. It took steps to establish and broadly develop cooperation with socialist and social democratic parties, national liberation movements, and other progressive and democratic forces, in the struggle for progress, disarmament, and peace and for a policy of broad international cooperation. Throughout this period, our party has worked for broad cooperation with all communist and workers parties and strongly spoke out for renouncing the old practices in relations among communist parties and for equality, respect for each party's independence, autonomy, and right to work out its own political line, in accordance with realities and conditions prevailing in each country. One can say that great changes have also occurred in the communist and workers movement, as a result of the changes in the balance of power and the overall development of the new society.

It is well known that for a long time after World War II the communist and workers parties played a very important role in international life, and in organizing the great national and international movements for peace, cooperation, and a world without arms and wars. At the same time, the communist parties in the socialist countries played a decisive role in socialist construction and actively participated in solving the great problems of international life.

However, we must openly state that a number of problems have emerged in recent years, problems that require a new approach and understanding of the great world developments and of the prospects of revolutionary struggle. All these changes (?require) from each party and from the revolutionary forces everywhere a scientific and realistic examination of current problems in the spirit of the materialistic-dialectical revolutionary concept and a new orientation and clear perspective regarding the struggle for socioeconomic progress, socialism, and a better and more just world. In the newly created circumstance, this requires the further strengthening of solidarity and cooperation of the communist and workers movement, on the basis of the new principles.

The current stagnation, even a certain regress in the communist and workers movement requires, as an objective prerequisite, the strengthening of cooperation and unity and the strong development of the spirit of struggle for defending the interests of the broad people's masses. In the current conditions, the Communists must assume greater responsibility in pooling the efforts of all realistic and progressive forces to resolve the great complicated problems of the contemporary world.

The communist parties in socialist countries should give appropriate answers based on revolutionary positions to the problems of socialist construction, and should open up clear and bright prospects for perfecting the magnificent work of socialist construction; for increasing the role of people's masses, developing socialist democracy, and increasing the revolutionary awareness in the struggle and work against everything that is old and outdated for promoting what is new; and for ensuring the unflinching implementation of the principles of socialism in the whole work of building the new social system.

Starting from all these facts, we believe that it is necessary that the communists and workers parties in socialist countries intensify their solidarity, cooperation, and exchange of experience and examine the current and the future problems of socialism from scientific and revolutionary positions. At the same time, it is necessary to strengthen solidarity of communist and workers parties in order to ensure a new struggle and combative spirit

and the more active participation in finding solutions to the great problems of our times. It is necessary to resolutely (?combat) certain manifestations of distrust and confusion, and to consider some mistakes, shortcomings, and some abuses as essence of the [words indistinct] society or of socialism. We believe that we should start from the fact that socialism has proved its capability and vitality in developing, in a short historic period, a new social system. Even a brief scientific examination can demonstrate with the power of undeniable facts that the capitalist society, which certainly had an important role in the development of civilization, can no longer solve the complex political and social problems of our times, and can no longer give clear prospects to the working people and to peoples. [Word indistinct] socialism is meant to ensure a new society, which is able to solve the complex socioeconomic problems in a new manner, to ensure full equality among all the citizens of the respective countries without any differences, and to ensure a world in which each people and nation can enjoy their well-being and happiness in complete freedom and also in cooperation with all the peoples of the world. [applause]

The RCP firmly advocates meetings and regional or international talks between communist and workers parties, in the belief that this is a requirement for ensuring an increased struggle and combat capability, for strengthening solidarity, and for finding solutions in a new manner to the problems of our times. At the same time, we speak out for the development and the strengthening of cooperation with socialist and social democratic parties because this is an objective requirement for the future of peoples, for progress, freedom, and peace for all of mankind.

We also speak out for the development of broad cooperation with national liberation movements, with parties in developing countries, and with all democratic parties, regardless of their concept of the world, and with all those who speak out against war and in favor of broadly developing cooperation among states and countries in accordance with the principles of full equality and respect for the right of each nation to freely choose its path of development, without any outside interference. How the world of the 21st century will look is a fundamental problem for all parties and progressive movements. Let us do all we can and see to it that peoples enter the third millenium with better prospects through completely eliminating nuclear weapons, ensuring disarmament, eliminating underdevelopment, and achieving a new economic order and establishing relations of cooperation based on full equality among all nations. Only in this way will we be able to respond to the people's aspirations and will we ensure a free, independent, and better future for them. In this spirit, the RCP is determined to work most firmly in the future, too, to make its contribution to the victory of realistic and progressive forces, to the triumph of the great ideals of freedom and independence, to progress, and to ensure a better and more just world and the victory of socialism.

Esteemed comrades: the joint meeting of the RCP Central Committee and of the other democratic bodies discusses issues of the greatest importance for the present and the future of our socialist homeland. It is true that we have registered wonderful achievements, we have traveled a long road of struggle and work, we have overcome many difficulties, and we have unflinchingly progressed toward of the high and bright pinnacles of communist civilization. We have reached great peaks, from where we can view our wonderful prospects. Through the united work of our whole nation and under the party leadership, we have transformed the aspirations and the dreams of a golden future into reality. Life has proved what huge forces a nation possesses when it eliminates oppression and inequalities, a nation that is master of its destiny, that has an experienced guide, and has a revolutionary concept about the world and life. From the peaks we have reached, we look ahead with complete confidence to the bright peaks which are becoming increasingly close to us and which will be reached by our people through their revolutionary work and activity, in complete unity under the leadership of the vital core of our whole nation—the Romanian Communist Party! [applause]

Let us discuss the issues on the agenda in a spirit of high responsibility, criticism, and in a self-critical spirit. Let us take a firm position against lags and mistakes but, at the same time, let us draw the appropriate conclusion from everything we have achieved and take the necessary measures with a view to ensuring the firm and unflinching advance toward the high peaks of communist civilization. [applause]

There is no force in the world that is great enough to halt the advance of mankind, including the advance of our people, toward the new social system. No doubt, we still have a long road to travel and there are many obstacles until we reach the high peaks of the new civilization. But the road we have traveled so far, the obstacles we have overcome, and the achievements we have registered can guarantee that we will firmly advance, we will overcome all difficulties, and we will reach the golden dream of mankind and of our people—communism. [applause]

Let us pledge before the party and the people that we will work with the utmost will and determination, in a revolutionary spirit, to serve in every circumstance the cause of socialism, communism, and the cause of the nation, and its happiness, Romania's independence and sovereignty. [applause]

In our whole activity, let us always bear in mind that nothing is and nothing can be above the general interests of our whole nation and above the victory of socialism and communism, which ensure the true freedom, the well-being, and the dignity of our whole nation. Let us do all we can for the triumph of peace and cooperation in the world. [applause]

Trade Surplus Discussed With Soviets

LD2511032888 Belgrade TANJUG in English 2138 GMT 24 Nov 88

[Text] Belgrade, November 24 (TANJUG)—For the Yugoslav-Soviet economic relations to reach the level wished by both sides, it is essential to expand industrial cooperation and specialization deals and set up joint venture enterprises and banks—Milan Pavic, president of the Yugoslav Chamber of Economy, Vasiliy Dzhumakov and Suren Sarukhanov, Soviet deputy ministers of foreign and domestic trade, respectively, noted here on Thursday.

They also reviewed prospects for next year's sale on the Soviet market of Yugoslav consumer goods—leather, footwear and textiles—and found that Yugoslav goods could be expected to sell well, as had always been the case so far.

With a trade averaging six billion dollars a year, the Soviet Union is Yugoslavia's largest trading partner. Over the past few years however Yugoslavia was recording a surplus on its side, which this year reached 1.7 billion dollars.

Yugoslav economists believe that the large surplus in the country's trade under clearing-account arrangements has contributed much to boosting inflation, curently running at 230 per cent a year.

The wish of both sides to surmount Yugoslavia's surplus was one of the topics at the 26th session of the Yugoslav-Soviet intergovernmental Committee for economic and scientific-technical cooperation which was closed in Belgrade recently.

As the Yugoslav Government spokesmen told newsmen in Belgrade today, it was found during the session that Yugoslavia's surplus was burdening economic relations and hampering a mutually beneficial bilateral economic cooperation.

Commentary Previews 'Ronald Bush' Presidency

AU1511180588 Belgrade BORBA in Serbo-Croatian 12-13 Nov 88 p 11

[Vlado Teslic commentary: "The Power and Powerlessness of Ronald Bush"]

[Text] After Ronald Reagan, George Bush will become the head of one of the two biggest superpowers. He won the elections mainly thanks to the support, influence, and exceptional popularity of the outgoing president and his own promises that he will continue Reagan's policies. It is therefore not difficult to predict that Ronald Bush will rule the American and world stage (where American presidents, whether strong or weak, successful or unsuccessful, are always present because of America's key position) at least for the next 4 years.

For the last 8 years, Ronald Reagan has marked one period of American foreign policy with the proclamation of an unyielding and aggressive policy of confrontation without creating much from it.

It is unclear to what extent Reagan's vice-president, Bush, the well-known protagonist of realism and the opposer of ideology in foreign policy, participated in all this.

In any case, it is normal to expect that he will continue much of Reagan's policies and at the same time emerge from Reagan's shadow and characterize both the American and world scene with something new, more real, and progressive which even some of the weaker presidents—which America always inherits after strong ones—have managed to do.

To what extent is this possible in this very complicated world which is burdened so much by contradictions, but which also has positive currents and in which not even the simplified picture of an idyllic, conservative, and powerful America is still the same? Where, then, is the power and powerlessness of "Ronald Bush," the new president with an old inheritance and old burdens, whose election was greeted throughout the world with some relief and hope, even in the capital city of the rival super power. It rarely happens that, for example, Europe as a whole expresses more unanimity in accepting the new American president than America itself (apart from in the times of Roosevelt and Kennedy).

Strategic Questions

Bush did not fight the election campaign on a particular foreign policy platform. He did not even present a consistent program for his foreign policy, let alone a strategy. In any case, this is rarely done in American election campaigns. With some variations he has basically kept to Reagan's simplified formulas of 8 years ago—that taxes should be reduced and the Soviet Union must be opposed from positions of military force.

This formula has undergone a transformation in the last 8 years. Even in Carter's time, America decided to build up powerful armed forces without precedent in postwar history. Reagan gave his personal stamp to all this with his crusading war against communism and the Soviet Union. However, both his rhetoric and ideological hatred let up over time, and negotiations and nuclear disarmament came to the fore. It is still unknown what caused this change—was it a facing of the fact that armament, no matter how big, does not solve political problems and can only lead to an even greater buildup of arms on both sides? Or something else that is connected with changes in the USSR? How does one interpret the inconsistency and the contradictory nature of Reagan's "strategic revolution"—to both confront and negotiate with the USSR, and to seek and contribute to nuclear disarmament while devoting so much to putting arms in space?

It is futile to seek in all of this any return to the policy of detente (from the time of Nixon and Ford) and even more so a policy of reducing confrontation and the cold war (from the time of Eisenhower). Reagan's policy will remain under a cloak of mystery, perhaps as the best example of an unhappy time, under the condition that the very contradictory thesis is accepted that negotiations and the beginning of nuclear disarmament arose thanks to the pressures and policy from "a position of strength."

These talks and negotiations are still at the initial stage, and it is difficult to predict the course of their further development. As limited as they are, they have brought about a reassessment of many post-war ideological and strategic orientations, especially in Europe. The Reagan-Gorbachev summit in Reykjavik indicated, among other things, a turnaround on the American side approaching a search for its independent role and reliance on its own armed forces. After the agreement in Washington, the physiognomy of NATO which cannot remain unchanged was put on the agenda. Even the realization of De Gaulle's old idea of the unification of the armed forces of West European countries with a Franco-German nucleus is in sight.

After so much disturbance and uncertainty about what the future will bring, it is not difficult to understand the virtually universal relief, at least as far as Europeans are concerned, that America elected a pragmatist and someone who knows European circumstances well. Thus, there are so many "Bushists," from London where there is the traditional belief in and formula of the "special relations between Britain and the United States," to Paris and Bonn which have just begun to build up their joint military forces and which still need America to preserve the "military balance," to even Moscow which has broken the vicious circle of distrust and confrontation between the United States and the USSR.

Economic Heritage

Is too much expected of Bush that at the least, he will remain an "Atlantist" of the old school when they no longer exist, while continuing talks and negotiations with the USSR about a much larger number of issues in the field of disarmament while continuing a policy of acquiring arms (Star Wars)?

Bush will probably try to satisfy all sides as much as possible, both "Atlantists" and those who advocate a turn toward the "Pacific," but it is quite certain that his priority will remain the policy of negotiations and talks with the Soviets, particularly in the field of disarmament. Another question is what are George Bush's chances in all this, especially when one bears in mind that his country is going through particular economic difficulties.

It seems that not one single president in recent American history has been bequeathed such a great negative inheritance as Bush, which will, at least in the next 4 years, probably hinder many of his actions and probably obstruct all great turn-arounds in foreign policy in either one direction or the other. In any case, there have been few newly elected presidents of the United States who, like Bush, have been accompanied from the very start by a drop in confidence on the money markets and in business.

The two-sided American deficit (budgetary and trade) is beginning to worry the United States and not just its most important partners. It was probably the deficits which had the most influence on strengthening the opposition of the Democrats in Congress, while foreign partners have for a long time distrusted the American economic and policy, especially because of interest rates and the attraction of foreign money and because the United States spends more than it produces, because this policy hits all other countries and threatens a world recession.

Therefore, can Bush denounce the "sacred cows" of Reaganomics of reducing taxation and acquiring a limitless amount of arms with the help of foreign loans to the detriment of the already 20 million impoverished Americans?

Bush will have to find compromises and a middle road in facing the democratic majority in Congress which is inclined toward reducing military expenditure and greater social benefits. What is even worse for Bush is that this majority does not shrink from the policy of protectionism and from making partners and allies face "a more just distribution of the burden." Precisely because of this, most partners wanted Bush, as an opponent of protectionism and champion of the "free market" to win.

Perhaps because of all this, Bush's best initial investment was the choice of James Baker as Secretary of State as he is a man with a lot of experience in the American political sphere and in finance, as well as the well-known author of the plan for easing the position of debtor countries. If this is recognized as a major global issue in the world economy and politics, then something more major than "Baker's plan" will have to be done. The least was done in the Reagan era about this, in the belief that relations between the developed countries must have priority. However, this did not stabilize the "Western front" but opened up many new, far more dangerous fronts.

Loncar Answers Questions on Stanovnik Remarks

LD2411121588 Belgrade TANJUG Domestic Service in Serbo-Croatian 1042 GMT 16 Nov 88

["Session of the SFRY Assembly Federal Chamber: delegates' questions"—TANJUG headline]

[Excerpts] Belgrade, 16 Nov (TANJUG)—[Passage omitted] In the U.S. National Press Club on 2 November, in the Council of World Affairs and in other U.S.

institutions, Yugoslavia was betrayed, said Milisav Milenkovic. It was said there that until recently Yugosalvia was on the brink of civil war and that purges were being carried out in a central committee [SR of Serbia's]. Demonstrations fomented by inflation and Serb nationalism threatened to push Yugoslavia into civil war.

This is a drastic and impermissible attack on the unity of Yugoslavia, said Milenkovic. He stressed that this drastic attack was geared to misinforming the world public about the conditions and the situation in our country. I therefore demand, he went on, that the Federal Executive Council and Federal Secretariat of Foreign Affairs should come to an agreement by the end of this week to see under what circumstances Stanovnik's visit to the United States in his meeting with that country's secretary of state had taken place. Also, on which platform were the talks conducted and also what is the assessment of the Federal Secretariat of Foreign Affairs of the conduct and responsibility of our embassy and of the degree of responsibility of our ambassador to the United States, Zivorad Kovacevic.

Husein Hodzic suggested that the Federal Chamber should ask the president of the SFRY Presidency to address the assembly, bearing in mind the constitutional role of the Presidency in laying down and implementing foreign policy, in connection with Janez Stanovnik's statements. If he does not want to do that or if he does not believe that that is appropriate, said Hodzic, I would ask the president of the Federal Executive Council to do that, and if that is not possible, then let the federal secretary of foreign affairs address the assembly in connection with Stanovnik's stay and remarks in the United States.

These initiatives and delegate proposals made in connection with statements by the president of the Presidency of the SR of Slovenia during this recent visit to the United States were assessed as acceptable by the president of the chamber, Stjepan Novakovic. [passage omitted]

Replying to the questions asked this morning in connection with the consequences of the statements made by Janez Stanovnik, president of the Presidency of the SR of Slovenia, during his recent visit to the United States, Budimir Loncar, federal secretary of foreign affairs, began by recalling that it is customary in international and in our own practice, that private visits and stays of our people abroad, when the people are involved who could be of interest for the public opinion and for official representatives, get in touch and conduct the talks. [sentence as received]

In this connection, I would like to stress that there is permanent interest on our part in establishing contacts with distinguished interlocutors throughout the world, including the United States, when those Yugoslav personages visit in a capacity whose authority stems from their political functions and from the social, scientific, or similar rank in general, said Loncar.

The State Department represents in this respect an important partner. Recently, Comrade Stavrev, in his capacity as president of the Presidency of the SR of Macedonia; Comrade Vasil Tupurkovski, member of the LCY Central Committee Presidium; and Comrade France Popit, in his capacity as member of the Presidency of the SR of Slovenia; were there for talks with the secretary of state and his deputy. No previous approval of the platforms for talks is envisaged for such meetings which do not take place in the context of official visits by Yugoslav personalities.

In endorsing such meetings and public statements, we proceed from the assessment made during the last session of the SFRY Presidency and of the Federal Executive Council that recently, the image of Yugoslavia abroad has been experiencing an erosion and that involvement has to be stepped up to arrest and halt this negative process. In this context, I recently sent detailed instructions to all our diplomatic and consular missions, added Loncar. In principle, we believe that a political assessment of the statements by top Yugoslav personalities referring to internal policy in Yugoslavia goes beyond the framework of the constitutional and legal powers of the federal secretary of foreign affairs. However, he has the commitment to monitor and give an assessment of the repercussions which such statements for foreign consumption have on the position of the SFRY.

Loncar then explained how the president of the Slovene Presidency happened to be visiting Washington where he made public appearances and conducted official talks.

At the invitation of the Council of the International Management Institute, of which he is a member, the president of the Presidency of the SR of Slovenia attended the council meeting in New York on 3 and 4 November this year. On 3 October this year, said Loncar, without the Federal Secretariat of Foreign Affairs acting as an intermediary, he informed the SFRY Ambassador in Washington that he was coming to attend the council meeting and that he could come to Washington for 2 days; and that he was expecting, if necessary, to obtain some suggestions with regard to his activity there.

Having made the assessment that it would be a good thing to organize Comrade Stanovnik's public appearance, the SFRY Embassy informed the State Department that Stanovnik would stay in Washington as the guest of the Ambassador, and briefed the presidency of the SR of Slovenia, through the Secretariat of Foreign Affairs, that a program had been arranged for 1 and 2 November this year.

The U.S. Embassy in Belgrade was also informed of Janez Stanovnik's stay in the United States. They too informed the appropriate authorities. Ambassador Scanlan also informed Comrade Stanovnik of the wish of Secretary of State Shultz to meet the president of the Presidency of the SR of Slovenia.

I made the assessment that this meeting with Secretary of State Shultz was to be welcomed, and I informed Comrade Stanovnik on 24 October this year that we have nothing against this meeting, stressed Loncar. Stanovnik informed Raif Dizdarevic, President of the SFRY Presidency, of this.

The SFRY Embassy in Washington made the assessment on 3 November that Comrade Stanovnik's stay, in a situation of heightened interest in Yugoslavia and in the presence of enormous publicity, was exceptionally useful, Loncar went on to say. It noted that Comrade Stanovnik spoke in a cogently argued way about the current sociopolitical and economic situation in Yugoslavia, that he paid greatest attention to internal democratization, constitutional changes, and economic reform. It was also said that Comrade Stanovnik's statements helped to accentuate the resolve attained in Yugoslavia, that the only way out of the crisis was by way of further reforms in the political and economical system and in establishing a market-orientated economy.

In the meantime in its daily telex service (DTS), TANJUG transmitted the exerpts from Comrade Stanovnik's statement in Washington carried by the world news agencies.

As a result, I issued instructions that a telegram be despatched to Washington immediately pointing out the discrepancies between their telegram and the DTS reports, that is to say the published agency reports.

On the basis of my instruction, Milivoje Maksic, deputy federal secretary of foreign affairs, sent a telegram to the ambassador asking him to provide the full text and context of Comrade Stanovnik's statements so as to avoid any possible misunderstandings.

Following that, the embassy sent several telegrams. All these telegrams, from the first which provided an obviously superficial and one-sided view of the visit, to the last one were passed on to the top Yugoslav leaders.

I do not have to give you an account of Janez Stanovnik's statements. He made four appearances there and had a meeting with Secretary of State Shultz. Everyone among us here is capable of assessing what in these statements follows the positive line—that is the line of showing the real situation in Yugoslavia—what is at variance with it, what is unusual, and what could harm the situation in our country and our representatives abroad, said Loncar.

In the first part, in organizing the preparations, the embassy acted in keeping with the commitments and duties which it has as an SFRY mission. It happens very rarely indeed, whether we are talking about the visits to Yugoslavia or visits outside Yugoslavia, that high-ranking personalities, especially those discharing offices of state, can be in that country without certain contacts and that the visits can be exclusively private. Even when they are private, these visits take on a specific working character and sometimes even an official character, said the federal secretary.

To us, too, the visit by Comrade Stanovnik, as the president of one of our six republics and as a person who has spent a large part of his life in the United Nations and occupied a high position, and has become well known in the world, could serve the representation of Yugoslavia in an affirmative way. I believe that here the embassy too not only carried out its duty, but also a topical task, Loncar stressed.

However, the SFRY Embassy assessed very one-sidedly and portrayed in a one-sided way the whole stay of Janez Stanovnik and his talks. It was—and this is my free interpretation—too much under the conception of the so-called affirmative approach of ours: giving the idea that we have gone beyond critical points and that we have entered into a phase of greater stability and greater mutual understanding, and created the preconditions for the implementation of the three reforms, especially the economic reform. This means that I do not justify the embassy in its one-sided approach nor in its having provided the whole picture of all the talks and its assessment on time. Here I must say that the embassy did not have the duty—and nor is this its right—to dispute statements made by our most senior leaders, but it is obliged to report them and to assess them from the point of view of what this means for the prestige, position, and interests of Yugoslavia in a given country. This, in any event, was, to put it in the mildest terms, one-sided, Loncar believes.

The Federal Secretariat of Foreign Affairs reacted the moment it noticed that there was a discrepancy, or rather, that the visit by Janez Stanovnik to the United States was not portrayed well; especially his statements and talks with Secretary of State Shultz.

The federal secretary of foreign affairs on his own initiative requested of the chairman of the Assembly's Foreign Policy Committee that delegates to the committee be informed of this. As is well known, this was done by Milivoje Maksic, deputy federal secretary, warning that this is a matter firstly of statements which are unusual for any statesman abroad, even from countries with a multiparty system, and of the settling of scores or the making of critical speeches about one's own partners or rivals in one's own country while in a third country. He also stressed that we have incomplete information in view of what we received from the news via the DTS and our embassy, Loncar said.

Since the federal secretary of foreign affairs reacted immediately and asked the embassy to submit a report as a matter of urgency, I cannot see that he delayed matters in any way and that he did not measure up to his commitments, function, and responsibility, stressed Loncar adding that he had sent a report, very similar to this one, to the SFRY Presidency, to the president of the Federal Executive council, to the president of the Federal Assembly, and to the president of the LCY Central Committee Presidium.

In conclusion, I would like to say that in this case, we should not drag the United States—that is to say its official organs, and least of all Secretary of State George Shultz—into this matter in any way whatsoever. By logic of the growing interest in cooperation and the wish to perceive our situation and difficulties, including our relations, he evinced interest believing that he could find a competent colocutor in the person of the representative of a republic.

I also think that none of the organizations which wanted to hear comrade Stanovnik had any malicious or ulterior motives; they wanted to hear from such a distinguished person, views about our situation and to obtain first hand information and evaluations. Furthermore, I beleive we should not forget that it was precisely the State Department which recently issued a statement about their growing belief in the fact that Yugoslavia is persuing a policy of seeking a way out of all the difficulties, and about the extent of their interest in Yugoslavia's very prominent and greatly acknowledged international position and role as one of the founders of the Non-aligned Movement and as a country which has a key role in this movement and which has very normal, developed, and good relations with the United States, said Loncar in conclusion.

After Loncar's statement, Sulejman Redzepagic said that very different comments in connection with Janez Stanovnik's statements are being made by the public.

Is the substance of his statements in the United States in keeping with the implementation of the single SFRY foreign policy, asked Redzepagic.

Husein Hodzic stressed the efforts which the federal secretary of foreign affairs is making to improve cooperation between this very important service and the assembly, not only by virtue of his statement to this house, but also during the sessions of the Foreign Policy Committee. Loncar has made a very important move as regards the conduct of senior federal officials and federal institutions vis-a-vis this Assembly, said Hodzic.

However, I think that the federal secretary should have been more decisive in his views about the implications created through Stanovnik's statements, said Hodzic.

Nor am I satisfied with the answer received from the president of the Assembly who, says Hodzic, was duty bound to take part in the discussions concerning Janez Stanovnik's statements.

"The substance of our questions referred to the assessment of what Comrade Stanovnik said during the meetings in the National Press Club and in other institutions and whether this damaged Yugoslavia's reputation, whether it infringes its moral integrity, or whether it means the same as that which has been written in the letter of the Presidency of the SR of Serbia addressed to the SFRY Presidency," said Milisav Milenkovic. [passage omitted]

Dusan Popovski, President of the SFRY Assembly, informed the delegates that the president of the Federal Assembly [as received] had not received an invitation to attend the session during which this question was discussed. I could not attend a meeting for which I have not received an invitation, said Popovski.

"The reaction which these statements by Janez Stanovnik had on our reputation and for our interest in the world cannot be separated from its significance for the situation in Yugoslavia. I think that this is more important," said Budimir Loncar after being given the floor again.

"I must immediately draw attention to the fact that his statements did not receive any publicity at all except that some agencies reported them in part for the foreign service. Our internal reaction was very logical. The reaction was quick and even before we got an insight into what he had said, a very lively and I would say a fierce, political reaction to those statements naturally developed in our country. It is very difficult to separate now what he said from what is happening in our country, to the advantage of our prestige in the world. I must tell you sincerely that we too will be able to asses that only when we see it. We still do not know what the full impact has been.

In conclusion, until 8 or 9 November we were not able to provide an assessment of the significance of Stanovnik's statements, when we didn't know exactly what he had said," stressed Loncar.

"The Federal Secretariat of Foreign Affairs—and I personally, being in charge—is absolutely responsible and up to date in monitoring this whole thing" stressed Loncar.

I think that in so doing, we provided the kind of qualification which we were able to provide in relation to the meager information we had. We still cannot provide a final assessment without seeing what the impact of the whole thing has been, said Loncar in conclusion.

Concluding, Stjepan Novakovic, president of the Federal Chamber, reminded the delegates of Zarija Martinovic's intiative that the Foreign Policy Committee continue to review this issue. The shorthand report of the statement today by the foreign affairs secretary will help this discussion. Other material and assessments will be available as well and the Committee is under the obligation to appear before this Chamber with an appropriate report and proposals, stressed Novakovic.

3 Members Leave LCY Central Committee Posts

LD2611204488 Belgrade TANJUG in English 2331 GMT 25 Nov 88

[Text] Belgrade, November 25 (TANJUG)—Three Slovenian officials will resign their membership in the League of Communists of Yugoslavia (LCY) Central Committee, a session of the Slovenian Central Committee said in Ljubljana today. The sole reason for the resignations of Stane Dolanc, Marjan Orozen and Janez Zemljaric is the implementation of the conclusions of the October LCY Central Committee Plenum on renewing a third of its membership and rejuvenating it, as well as separating state and party functions.

The three Slovenian officials held high posts in their republic and the federation over a long period.

Stane Dolanc is vice-president of the Yugoslav state leadership, Janez Zemljaric is federal vice-premier and Marjan Orozen is president of Yugoslavia's Confederation of Trade Union. All three are resigning from the Central Committee to keep their state posts.

The Slovenian League of Communists Central Committee named nine possible candidates for the LCY Central Committee Presidency in place of Franc Setinc who recently resigned his post.

In accord with the October plenum's decisions, Macedonia's Central Committee relieved LCY Central Committee member Lazar Mojsov of duty in Skopje today.

Mojsov, former state presidency president, was relieved of Central Committee membership to keep his post in the State Presidency. The same was done with four other Macedonian officials.

Milosavljevic Discusses Economic Issues

LD1811215788 Belgrade TANJUG Domestic Service in Serbo-Croatian 0935 GMT 16 Nov 88

[Excerpts] Belgrade, 16 Nov (TANJUG)—The FEC has submitted to the delegates of this assembly the "bases for reform of the economic system" which, on the basis of several months' work, the commission for reform this year accepted at its 1 November session. The adoption of this document fundamentally establishes the stances for overall changes to the economic system and creates the bases for the FEC's legislative activity as the authorized proposer. With these words, FEC Vice President Milos Milosavljevic addressed the delegates of the SFRY Assembly Federal Chamber.

I am convinced that we are agreed that Yugoslav society today is at a historical crossroads and faces great undertakings in the reforms we are entering, he continued. "With the establishment of the proposed amendments to the SFRY Constitution, the path is opened for reform of the economic system and for comprehensive economic reform. The high level of agreement we have achieved in establishing the proposed amendments to the SFRY Constitution does not mean that the need to return to the aims of the reform of the economic system has ended. It does not mean that we have left behind us all the differences we have been facing, both in the preparations for the constitutional changes and for the bases of the reform of the economic system. However, differences in opinion should be neither dramatized nor overemphasized. The depth of the changes being proposed and which make up the reform, make these differences natural. For some time we have lived in conditions which we must change. These changes bring with them not only altered material relations, but also changes in social awareness. These are the reasons why we must return to the aims of reform." [passage omitted]

Stressing that on the basis of such developed state regulations a strong bureaucratic apparatus was created and grew up, as well as a huge social administration—from organizations of associated labor to the federal level—that weakened the material basis of labor, Milosavljevic said that the long-term program of economic stabilization was a serious attempt by Yugoslav society to open paths for a way out of the crisis. However, time showed quite clearly that, apart from certain changes in the economic system of the country which were carried out at the end of 1985, it was not possible to carry out a more radical reform of the economic system within the existing constitutional framework. I would remind you that in the first half of 1987, the FEC proposed and the SFRY Assembly accepted, the theses for the further improvement of the economic system which clearly warn that the aims contained in the theses cannot be realised without changing the SFRY Constitution. When our slowness is criticized now, this very important warning is lost sight of, said Milosavljevic.

Recalling that Yugoslavia was the first to step into the sphere of goods production and market laws, not always consistently or without hold-ups and not sufficiently radically, Milosavljevic said that we have reached agreement on the essential need for broader and very profound economic reform. [passage omitted]

"Structural changes in the economy inevitably will entail difficulties in a number of enterprises where the production program will not be in a position to sustain market checks. Some enterprises, already has not been in a position to sustain them. Hence the need and the general demand for an adequate social program that should be a

function of the realization of structural changes. It will not and cannot be a social welfare program. All the demands for a levelling-out process that will do away with every differentation and with the results of structural changes are particularly unaccceptable. This program must be part of the development program. If the reform only closed down enterprises and did not open new ones on the basis of various ownership forms, and if it substantially failed to develop the prospect of development, new jobs, and a rise in living standards, then it would not be acceptable," the FEC vice president stressed.

It is the purpose of the reform to release the broadest possible initiative on the part of enterprises and individuals and to place all natural, material, and manpower resources into the function of the system.

At the same time, the social function of society must be separated from the production function of enterprises. [passage omitted]

There is criticism that the work done so far on the reform of the economic system unfolded within the closed circles of the economic reform commission, its working bodies, and the FEC; and that the Yugoslav public, and especially the Yugoslav economy, was very little involved; and that as a result, the proposals could not have been broadly based. All key issues of the economic system reform have been the subject of the widest possible discussion on the amendments of the SFRY Constitution, while parallel work on changes to the SFRY Constitution and the reform of the economic system secured feedback and synchronization of this work. [passage omitted]

It would not be an exaggeration to say, Milosavljevic stressed, that the roots of the differences we are coming up against which have remained in the document adopted by the FEC are in the area of social ownership and relations stemming from the right to use socially owned resources. Time will show whether we have defined these relations clearly enough. [passage omitted]

Having reminded the delegates that the operative texts of some draft laws had been put through the machinery before draft constitutional amendments had been finally approved (the law on foreign investments, the law on the basis of the taxation system, the law on customs zones), Milosavljevic said that the solutions implicit in them had to be coordinated with the amendments to the SFRY Constitution.

Following the joint assessment arrived at in a Yugoslav Assembly agreement, we will propose that nine laws be adopted by the end of the year: those on enterprises, accountancy, financial dealings, the bases of the taxation system, planning, foreign investments, banks, the Yugoslav National Bank, and the Yugoslav Bank for International Economic Cooperation. In this way, the changes in all the essential areas of the system will apply starting the beginning of next year.

Many important issues of the reform of the economic system are tied up with the substance of the law on enterprises, the working version of which we are discussing today. When preparing the working version of this bill, we proceeded from these basic objectives: that the organization of the economy is the right of economic subjects, in keeping with technological development and the demands of competition to adapt this organization to market conditions and choose forms of business links and mergers on the basis of the use of socially owned resources or on the basis of other property forms; and that economic independence entails economic responsibility and economic consequences for independently adopted business decision in conjunction with substantial deregulation in this section of the economic system.

The answer we must give at this point in time, Milosavljevic went on to say, refers specifically to the direction of these changes, namely whether in fact the introduction into our system of different forms of ownership and of relations arising on that basis, and the introduction of the entrepreneurial spirit and the category of profit as the objective of that entrepreneurial spirit will change the character and substance of self-management production relations, whether with our proposals we are within the framework of constitutional changes, or whether we are on another, unacceptable ground, whether the position of the working class is changing in a different direction, and what is happening with self-management.

Replying to these questions, he said that we seem to be forgetting the long-standing criticism of the inefficiency of the so-called agreement economy in which, among other things, the functions of management and business control were mixed up with the production process, in which responsibility was not defined, in which partial interests could block general and common interests, and in which we shut ourselves off into our basic organizations which carried out their functions and were self-sufficient. Yugoslav society is not abandoning its self-management line, but in the interest of self-management and its further development, our society must insure its efficiency, Milosavljevic stressed, who went on to say: The working people and the working class have an inalienable right to manage the enterprises, but the right to manage and carry out business functions must be clearly defined. The period we are entering is one of responsibility, in which rights and responsibilities must be clearly established. From the situation in which we can prove ourselves only through our work—and we must do it daily—individuals, enterprises, and people holding public functions and authority must do it. The widespread assuredness that some kind of result will be achieved must be left behind us. [passage omitted]

The reformed economic system is introducing essential changes into the planning system, too, Milosavkjevic said. In addition to the full independence of economic subjects in the adoption of decisions on planning methods and on the time scale during which they will do this, changes also are being made in the planning system of sociopolitical communities. Annual resolutions as planning acts are being abandoned, while the role of social plans is being restricted to the formulation of conditions for the functioning of the market, the elimination of market upheavals, and to appropriate macroeconomic proportions on the function of which different views exist today which should be sorted out during the assembly discussion. [passage omitted]

We have not yet discussed all the issues and dilemas for the transitional phase or so-called "bridge to reach the other bank". It is certain that you simply cannot jump from "the empire of necessity into the empire of freedom." We also must bear in mind our major material restrictions, without however putting off the changes. First and foremost, we must get a realistic balance sheet of the state of the Yugoslav economy and a realistic balance sheet of the banks and of the Yugoslav National Bank. There are mounting unrealistic expectations now that the state should take over most of their deficit in the form of public debt, and as rule it is the federal state that is expected to do this, Milosavljevic stressed.

In conclusion, FEC Vice-President Milos Milosavljevic stressed that certain conditions today are highly unfavorable for the reform. The material basis of the economy and the ability to go for extended reproduction are very low and their share in the allocated revenue is the lowest so far. At the same time, inflation is accelerating further. Specific positive results, primarily in the sector of economic relations with foreign countries, against the background of a very modest production growth in recent months, should not be underestimated, but a decisive about-face still has to be made. It is therefore very important for the current economic policy measures to function fully to give life to the economic reform, since the conditions for reform tomorrow would be even more unfavorable. For this reason, putting off the changes is not a realistic alternative.

The changes in the economic system of the country also require that republican and provincial legislation be adapted. The time restrictions we face not only require intensive work in the republics and provinces, but good cooperation at the federal level on the preparation of the appropriate legal proposals and social agreements with which to secure complete coordination of all the changes, Milosavljevic said in conclusion.

Slovene Council Rejects Bosnian Debt Proposal

LD1811230188 Belgrade TANJUG Domestic Service in Serbo-Croatian 2022 GMT 17 Nov 88

[Text] Ljubljana, 17 Nov (TANJUG)—The proposal to increase the federal budget for this year by 600 billion dinars, certainly will provoke criticism, although the proposed increase arises out of the currently valid regulations. It also should be appreciated that the permitted nominal amounts for other kinds of expenditure already have been increased and so the proposed increase in the federal budget is justified. This assessment was made at today's session of the Republican Executive Council.

The Executive Council, it was reported, also considered the proposal by the Assembly of Bosnia-Hercegovina that work organizations from this Republic postpone the repayment of annuities on credits obtained from the federal fund for making loans to the economically less-developed Republics and Kosovo, which should be paid next year and in 1990. The assessment was made that there are no "fundamental reasons" for this. Indeed, the financial position of the economy is deteriorating in other parts of Yugoslavia, too, and not only in Bosnia-Hercegovina, while the Agrokomerc problem did not arise as a consequence of systemic solutions. Apart from this, creditors are now actively resolving it.

Lolic Comments on Kosovo, Press Reports

LD1911194388 Belgrade TANJUG Domestic Service in Serbo-Croatian 1535 GMT 19 Nov 88

[Text] Pristina, 19 Nov (TANJUG)—Everything possible should be done in order that the present situation in Kosovo is solved by political action, Marko Lolic, executive secretary of the LCY Central Committee Presidium said today in Pristina to correspondents of Yugoslav newspapers.

He also informed journalists about actions by the LCY Central Committee Presidium in connection with the situation in Kosovo, and stressed a close cooperation with the Kosovo LC Provincial Committee Presidium and the Serbian LC Central Committee Presidium. Yesterday, Stefan Korosec, secretary of the LCY Central Committee Presidium, and Jurij Bajec, member of the Serbian LC Central Committee were in Pristina. Ugljesa Uzelac, executive secretary of the LCY Central Committee Presidium, will arrive in Pristina tomorrow. Members of the LCY Central Committee and the Serbian LC Central Committee responsible for Kosovo are already in Pristina and other places in Kosovo.

Marko Lolic assessed Yugoslav press reports as being generally correct, except for rare individual items of information. He appealed to reporters to help the efforts of the LC in overcoming the current serious situation in Pristina and Kosovo with correct and objective writing.

Expressing interest in conditions of work of journalists who follow the current events in Pristina, Marko Lolic agreed with criticisms by reporters that there is a lack of contacts with the top officials of the province. Pointing out the exceptionally complex conditions in which the provincial leadership is now working, Lolic informed the journalists that the Kosovo leadership has undertaken all

practical measures to provide optimal working conditions for journalists. He said that the provincial leadership assesses that the Yugoslav press is reporting correctly on events in Pristina.

Commentary on Serb Cultural Proposals for Kosovo
AU1711162188 Pristina RILINDJA in Albanian 13 Nov 88 p 10

[Xhemail Mustafa commentary: "Retrograde Recipes"]

[Text] One would have to be crazy and particularly poorly informed to fail to understand certain retrograde trends and processes and to be indifferent to their appearance!

The creative intelligentsia of the country is now preoccupied more than ever before with current problems of society's development, and is especially concerned with a range of issues and problems that are, above all, issues of the politics of the day. An area that until yesterday was remote, treacherous, and too ephemeral for the creative intelligentsia has now become the favorite daily arena of activity of some creative circles. This is, in fact, a general political mobilization of the academic and creative intelligentsia of the nation which is more than necessary for our society at this time of profound and manifold crises, especially when it helps to solve specific aspects of these crises.

However, we would say nothing new if we were to observe that, besides well-argued and progressive ideas and concepts, this unprecedented political mobilization of a section of the country's intelligentsia may also include many ideas and proposals for backward-looking solutions to specific problems and situations. Such ideas and proposals are sometimes so retrograde and regressive that they seriously outrage and offend the national dignity of our peoples and nationalities, and it seems that more is said about the national equality of the peoples of the country from the viewpoint of these ideas and proposals, whose spokesmen are none other than the intelligentsia themselves.

Restrictions Can Never Mean Civilization

At first sight, this criticism might seem somewhat severe, yet in essence, when one comes across the proposals publicly issued a few days ago by the Serbian Association of University Workers and the Serbian Association of Academic Workers, the above comment and reservation is a mere euphemism, an ordinary understatement. The text of the proposals of these two associations of academic workers, sent to the Serbian Assembly Commission for Constitutional Changes, does in fact also include ideas and proposals that deserve broad and rational support. These are those ideas and proposals that advocate a more adequate consideration of education and research and academic work in the constitutional changes and which, as such, at least on principle, there is no reason not to support.

However, in the same text, which has been partially published, the members of these two associations who have compiled and signed this long text advocate the abolition of some institutions in Kosovo and consider this amazingly retrograde step as an aspect of "demographic balance" in this province, or an aspect of the return to Kosovo of Serbs and Montenegrins who have emigrated. More specifically, these university workers, among other things, advocate "the restoration of institutions that existed in Kosovo before 1968, and the abolition of those that since then have had the effect of Albanizing Kosovo (such as the Albanological Institute, for it is anomalous to have such an institution outside its mother country, and other similar institutions)."

The demand of the University and Academic Workers of Serbia, or of the members of these two associations, is very clear and requires no particular elucidation. They are in fact demanding the abolition of all the academic, and not merely narrowly academic, institutions that study the traditions and culture of the Albanian nationality, in other words those aspects, factors, and values that have defined their national identity. If this is the case, and this is the only way the demands of this text can be interpreted, then let them state frankly and clearly what their position is. Let it be known who supports which kinds of ideas and proposals, because it is an excessively grim irony if retrograde proposals and ideas are broadcast as supposedly progressive proposals, and when they surface in the context of a call for more humanism and a higher level of civilization. Restrictions on the culture of a people, especially when there is insistence that they should be institutionalized, as the members of these associations in fact demand in some parts of their text, have nothing to do with civilization and cannot be considered civilizing measures.

Can History Really Be Repeated?

The text under discussion, in fact, includes the most ugly and tendentious remarks, such as its thesis alleging polygamy, which "is so widespread in Kosovo and Metohija, with the aim of creating as large an Albanian population as possible in the most inhuman way." It is such remarks as these, more than those about the real situation in Kosovo, that show how much these academic and university workers really know about the reality of this province, something that they should be more than anything else concerned with. One cannot fail to say, in the meantime, that one recognizes in these proposals and remarks certain attitudes, situations, and processes from the not too distant past of the nation and of the development of the Albanian nationality, attitudes

and processes that were later condemned by the socialist and self-managing policy of our society and by all the country's progressive forces.

However, it seems that history perpetually repeats itself in the vision of some intellectual circles, and, according to them, should repeat itself in its most destructive and retrograde forms. So that this point shall not remain merely an often-repeated phrase, we stress that the Pristina Albanological Institute, as stated in a monograph on its history published last year, "stopped its work on 25 December 1955, at a time when bureaucratic and statist forces succeeded in placing significant restrictions on the autonomy of the province of Kosovo in the judicial and constitutional spheres, as well as in science and culture, which led to the suspension of the Provincial Public Library and the Kosovo Song and Dance Ensemble as well." Of course, this institute, first founded in June 1953, was reopened 20 years later in 1967, with the advent of a just national policy for the peoples and nationalities.

History cannot be repeated, at least not according to the retrograde recipes of certain intellectual, and not merely intellectual circles.

Slovene LC Presidium on Ljubljana Trial

AU1611145288 Belgrade BORBA in Serbo-Croatian 15 Nov 88 p 3

[S. Gajevic report: "The State Needs All State Powers"]

[Text] Ljubljana, 14 Nov—The Slovene LC Central Committee Presidium today decided to take a stand at its next session on the following topical issues: Accusations that during the bargaining process on making changes to the SFRY Constitution, the Slovene representatives worked against the interests of Slovenia's sovereignty; demands that a referendum on constitutional changes be held in Slovenia; and to answer the dilemmas surrounding the nonelection of Igor Bavcar (leader of the Committee for Human Rights) to the Presidency of Slovenia despite the fact that he had received the greatest number of votes in the process of prenominating the candidates. The Slovene LC Central Committee should also adopt a stand on Janez Stanovnik's visit to the United States and the speeches he made there.

The session was devoted to making preparations for the next session of the Slovene LC Central Committee scheduled for 25 November.

Considering the fact that the Slovene LC is publicly being asked about the precise time when it "will give up power," Milan Kucan stressed that the Slovene LC should provide an answer to this question in the process of separating the party from the state. In this context, Milan Kucan said that the 17th LCY Central Committee session in fact demonstrated that the destabilization of the party, which was caused by the existence of various ideological differences within the LCY, should not destabilize the country. The whole situation before, during, and after the 17th session has shown that the prime objective of the LCY is to provide conditions for the normal functioning of the state, Milan Kucan said.

Today the members of the Slovene LC Central Committee today particularly insisted that the key problem of Yugoslavia lies in the sphere of the economy.

Political discussions are wearing us out, Janze Stanovnik, president of the Slovene Presidency, said. These discussions are diverting our attention from the main problem, the efficiency of the economy. Stanovnik was of the opinion that the size of Yugoslavia's problems and their diversity also cast a shadow on essential problems facing Slovenia, and even hinder their resolution. We must show in practice that our party is changing from playing the role of the party of the system into being the party of the system, Stanovnik said, adding that any polemics with the advocates of a multiparty system would lead the Slovene LC toward playing a defensive role.

Ciril Baskovic said that it would be correct to make a clear definition for a program of the Slovene LC's. This program should contain the details concerning the time needed to increase the standard of living and employment. This kind of program would attract people, Baskovic said. He mentioned the article by Borut Suklje (which was published by BORBA in its Sunday issue), the project of the Slovene Youth organization for Yugoslavia's entry into Europe, and some earlier documents of the Slovene LC as the basis for developing such a program. In addition, Baskovic was of the opinion that the Slovene LC should take a clear stand on direct elections, private entrepreneurship, the federalization of the LCY, and the de-Bolshevization [deboljsevizacija] of the Slovene LC.

At the Presidium session there was also some reaction to the publication of open letters to Milan Kucan after he had publicly replied to Janez Jansa. During the discussion, assessments were made that some of those letters, which were published in the Saturday issue of DELO, contained anticommunist elements.

The Presidium of the Slovene LC Central Committee decided to invite to its next session the 12 members of the LCY Central Committee in charge of activities within the Slovene LC.

[The following passage appears boxed within the body of the item]

Initiative for Amnesty

At its next session, the members of the Slovene LC Central Committee will decided whether to launch an initiative to the Slovene Presidency, according to which

the Slovene Presidency would propose to the SFRY Presidency giving amnesty to the four people sentenced for divulging military secrets.

The Presidium of the Slovene LC Central Committee accepted this proposal in accordance with the already adopted views in the Slovene LC, according to which the Constitution was violated during the trial of the four. As Milan Kucan, president of the Slovene LC Central Committee, said, the four convicted people should not bear the brunt of the complicated situation before it is resolved by a commission set up for this purpose by the Slovene Assembly.

Smole on Opposition

Taking part in the discussion at the Slovene Central Committee Presidium session, Joze Smole, president of the Presidium of the Republican Conference of the Slovene SAWP, said that the Slovene LC is on the defense in many respects.

The opposition in Slovenia is acting in an increasingly organized way, Smole said. One of its parts is working in an organized way inside and the other outside the SAWP. If the SAWP does not act convincingly, we will encounter opposition more and more, Smole said. Smole also said that as regards constitutional changes, some people are against everything that has been achieved through agreement. Sometimes this opposition exists for the sake of opposition. We have been behaving, Smole said, as if there was no opposition but now we realize that this opposition is acting in an extremely anticommunist way. Some of the opposition's activities are based on separatist tendencies.

We must also take a clearer stand in our polemics with comrades from Serbia because opposition groups have created the impression in Slovenia that one cannot live in this kind of Yugoslavia and that the mistake was made when the Slovene people got "married" to this kind of Yugoslavia. We must take a clearer view, Smole said, and say that Slovenia is pro-Yugoslavia, but in terms of a different concept: that it is against centralism as well as the separatist tendencies that are present in it.

Bosnian Assembly Discusses Neum Affair

AU2211153788 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 22 Nov 88

[Ljubomir Nikolic report]

[Text] The delegates of the Bosnian Assembly today endorsed the amendments to the SFRY Constitution. Neum and the unlawful use of loans for building houses were again on the agenda of the Sociopolitical Chamber. Ljubomir Nikolic reports:

The voluminous documents published by the National Bank of Bosnia-Hercegovina contain the names of some 15 prominent republican officials who first got hold of land and loans for building houses in an illegal way, and then used these funds to build villas and holiday houses in Neum. Todo Kurtovic received as many as seven such loans, while brothers Ivan and Milan Lovric received four. Alija Lapin, Mirko Simic, Hazem Hasi, Abaz Zeronja, Mirko Vranic, Hrvoje Istuk, Kazimir Jelcic, and Ante Budimir also received several such loans. Mato Andric, Milanko Renovica, Savo Cecur, Boris Ivic, and Avdo Campara each received one loan.

Still missing are the names of some officials who in fact owned up by themselves—Branko Mikulic, for instance—and the names of those who raised loans for villas in other places, as well as data from some banks and their branches in Bosnia-Hercegovina.

Neum will be discussed at the joint session of all chambers of the Bosnian Assembly scheduled for 7 December, when the accountability of the republican organs that were supposed to launch procedures concerning cases of illegal dealings will also be on the agenda.